

## C O N T R A C T

The COUNTY OF SAN BENITO ("COUNTY") and MNS Engineers Inc. ("CONTRACTOR") enter into this contract which shall be effective on the date stated in Paragraph 1.

**1. Duration of Contract.**

This contract shall commence on February 19, 2020, and end on September 30, 2022, unless sooner terminated as specified herein.

**2. Scope of Services.**

CONTRACTOR, for COUNTY's benefit shall perform the services specified on Attachment A to this contract. Attachment A is made a part of this contract.

**3. Compensation for Services.**

In consideration for CONTRACTOR's performance, COUNTY shall pay compensation to CONTRACTOR according to the terms specified in Attachment B. Attachment B is made a part of this contract.

**4. General Terms and Conditions.**

The rights and duties of the parties to this contract are governed by the general terms and conditions mutually agreed to and listed in Attachment C. Attachment C is made a part of this contract.

**5. Insurance Limits.**

CONTRACTOR shall maintain the following insurance policy limits of coverage consistent with the further insurance requirements specified in Attachment C.

- (a) Comprehensive general liability insurance: \$1,000,000
- (b) Professional liability insurance: \$1,000,000
- (c) Comprehensive motor vehicle liability insurance: \$1,000,000

**6. Termination.**

The number of days of advance written notice required for termination of this contract is 30 days.

**7. Specific Terms and Conditions (check one)**

- ☐ There are no additional provisions to this contract.
- ☒ The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment D. Attachment D is made a part of this contract.
- ☐ The rights and duties of the parties to this contract are additionally governed by the specific, additional terms mutually agreed to and listed in Attachment E. Attachment E is made a part of this contract.

8. **Information about Contract Administrators.**

The following names, titles, addresses, and telephone numbers are the pertinent information for the respective contract administrators for the parties.

Contract Administrator for COUNTY:

Name: Harry Mavrogenes

Title: RMA Director

Address: 2301 Technology Pkway

Hollister, California 95023

Telephone No.: 831-363-4170

Fax No.: 831-636-4176

Contract Administrator for CONTRACTOR:

Name: Greg Chelini

Title: Vice President

Address: 201 N. Calle Cesar Chavez,

Suite 300

Santa Barbara, CA 93103

Telephone No.: 805.456.3520

Fax No.: 408.610.4202

**SIGNATURES**

APPROVED BY COUNTY:

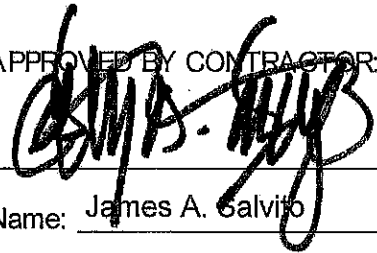
\_\_\_\_\_

Name: \_\_\_\_\_

Chair, San Benito County Board of Supervisors

Date: \_\_\_\_\_

APPROVED BY CONTRACTOR:



Name: James A. Salvito

Title: President & CEO

Date: 01.22.2020

**APPROVED AS TO LEGAL FORM:**

San Benito County Counsel

Shirley L. Murphy

By: Shirley L. Murphy, Deputy County Counsel

Date: Jan. 31, 2020

## ATTACHMENT A Scope of Services

Upon approval of this contract, Contractor, for County's benefit shall provide the following services :

### Scope of Work



### Project Understanding

The Hospital Road Bridge Low Water Crossing Replacement Project (Project) proposes to realign Hospital Road and replace the existing low water crossing with a new bridge spanning across the San Benito River. The existing low-water crossing has historically required reconstruction following significant stormwater discharges in the riverbed, but due to budget constraints and increased resource agency enforcement requirements, the San Benito County Board of Supervisors voted to discontinue installation of the temporary crossing in 2004. As such, vehicular access across the river is not currently available in this location.

The new bridge will replace the existing low water crossing and provide safe public access for existing and future residential and commercial properties, and better facilitate greatly improved emergency vehicle response time in the area. The new alignment of Hospital Road will extend from the southerly limit at Cowden Road, intercepting the realigned Hospital Road north of the river near Southside Road, within the Sunnyside Estates residential community. The new roadway alignment south of the bridge includes improvements to the entrance and a portion of interior driveways of Wheeler Performance Horses.



The project includes the construction of a 580-foot-long, cast-in-place (CIP), post-tensioned box girder bridge and construction of approximately 2,400 feet of new roadway approaches and improvements. The project site is located west of State Route 25 to the south of the City of Hollister, with the Hospital Road realignment and bridge situated directly to the north of the existing low water crossing.

The new bridge will provide two 11-foot by 9-inch wide travel lanes and two 5-foot-wide shoulders meeting the requirements of both Caltrans and County design standards. Abutment foundations will be supported on 16-inch steel pipe piles (Class 140, Alt W), and each pier will consist of two 48-inch pier columns built integrally with 72-inch cast-in-steel-shell (CISS) piles. Drop bent caps will be utilized at each pier to facilitate structure deflections under seismic conditions. Other salient elements of the proposed work include the following:

- Embankment construction
- Sheet pile retaining wall at abutment 1
- Rock slope protection and revetment
- Drainage systems and stormwater infiltration trenches
- Roadway removal and construction
- Signs and striping
- Metal beam guardrail
- Permanent erosion protection
- Utility relocations and street lighting

Due to the environmental permit restrictions on work performed within the river channel, it is expected the abutments, pile foundations, pier columns, and drop bent caps will be constructed during one in-channel work window, and the remaining superstructure will be built during the subsequent year

in-channel work window. The roadway approaches at both ends of the bridge will most likely be constructed during the out-of-channel period between the two in-channel work windows (see Preliminary Construction Schedule in Section 6).

The Project is funded under the Highway Bridge Program (HBP) administered by the Federal Highway Administration (FHWA). The County has established a Disadvantaged Business Enterprise (DBE) goal of 4% for this project.

The County requires pre-construction, construction management, and contract administration services for the pre-construction, construction, and post-construction phases of the project:

- Pre-construction services may consist of providing a constructability review to assist the County in finalizing the 100% plans, specifications, and estimate (PS&E) bid documents as well as preparation of a preliminary construction schedule and a review of traffic management plans and dispute resolution methodologies.
- Services during construction will consist of performing construction management, site inspection, and materials testing in accordance with the Caltrans Local Agency Procedures Manual (LAPM) and the County's Quality Assurance Plan.
- Post-construction services include project closeout to ensure the County is fully reimbursed thru the Highway Bridge Program (HBP). A detailed description of MNS' proposed services is included in the Scope of Work section.

MNS is the ideal firm to help the County deliver the Project on time, within budget, and in accordance with Caltrans and County requirements. The firm's proposed staff are seasoned veterans in the construction industry and have successfully managed many federally-funded bridge projects within environmentally sensitive areas. We offer the full spectrum of construction engineering services, including project management and administration, constructability and schedule reviews, roadway and bridge inspection, Contract Change Orders (CCOs) preparation, claims mitigation and resolution, review of contractor's submittals for falsework design, excavation shoring and cofferdams, asphalt and concrete mix designs, and shop/fabrication drawings.

We have enlisted Pacific Crest Engineering, Inc. (PCE) a certified DBE, to provide materials testing services to ensure the materials incorporated into the work comply with contract standards. PCE's testing services will be performed on the project site or in their Caltrans-accredited lab in Watsonville, CA. In addition to materials testing, MNS has also teamed with ZT Consulting Group, Inc. (ZTC) to perform source inspection services for several critical structural materials such as pre-stressing strand

and components of the post-tensioning system, elastomeric bearing pads, and ultimate welded splices for pile and column reinforcing. ZTC is a leader in providing source inspection for Caltrans projects and helped write the source inspection guidelines and manual for Caltrans. LSA Associates, Inc. (LSA) will perform environmental monitoring services. Their biologists are approved by US Fish and Wildlife Services and the California Department of Fish and Wildlife (CDFW) for all the species anticipated at the Project site. Lenhardt Engineering, Inc. (LEI), a certified SBE/DBE is also on board to help MNS with complex stormwater regulations as well as scheduling during construction.

The greatest challenge of the Project is the construction of the bridge within the limited window of four months (June 15 to October 15) allowed for work within the river channel. Hence, even a small delay in critical path activities can cause the project to lose the short work windows in any given year, necessitating an eight- to nine-month waiting period until the windows become available again the following year. Additionally, the project has a large number of project stakeholders such as the County, City of Hollister, Caltrans, CDFW, National Marine Fisheries Service (NMFS), US Fish and Wildlife Service (USFWS), US Army Corps of Engineers (USACE), Regional Water Quality Control Board (RWQCB), utility companies, and local residents. Therefore, the key to the timely completion of this project is anticipating and proactively resolving construction and coordination challenges before they turn into delays. Work within the river channel is affected significantly by the terms of the regulatory permits issued by the local, state, and federal agencies covering the San Benito River.

Our team leaders are known for early problem identification and preemptive resolution. We use a communication-based approach to keep all project stakeholders informed of project progress, complemented by our focus on planning for and solving bridge construction problems before they arise. We already identified the following critical elements to address early in the constructability review phase. MNS has been able to save public agencies significant time and money by performing a constructability review and working with the design engineer to incorporate recommendations into the final bid documents, and is highly recommended. These challenges are also summarized in Table B.1. Risk Register—Critical Elements.

### **Compliance with Environmental Permits**

Key biological resources issues for the project include impacts to the bank and channel of the San Benito River, protected trees, sensitive riparian habitat (e.g., mulefat thickets), and special-status wildlife species. Special-status wildlife species that can

occur at the site include South Central California coast steelhead, California red-legged frog, California tiger salamander, western spadefoot, western pond turtle, San Joaquin whipsnake, western burrowing owl, American badger, and San Joaquin kit fox. The Caltrans Natural Environmental Study (NES), the Initial Study/Mitigated Negative Declaration (IS/MND), and the USACE, RWQCB, USFWS, and CDFW permit include details on these issues and provide mitigation and avoidance measures to help protect these sensitive biological resources.

Our approach on projects with similar permit language is to review the permits carefully to generate a list of specific requirements for each permit and identify for the purpose of the contract documents which requirements will be the responsibility of permittee and which will be delegated to the contractor. Our team understands the importance of maintaining the permit requirements through construction. MNS has teamed with LSA to provide project environmental support including any additional environmental monitoring that may be required. Keeping the contractor and project staff aware of the various permit requirements typically begins in the pre-construction phase with a permit kick-off meeting. Pre-construction surveys of environmentally sensitive species will need to be taken before any clearing and grubbing operation as well work within the creek.

One area of focus is the specification language for the contractor supplied biologist. The special provisions must identify all of the species of concern for which the biologist must be certified and specify the variety of activities the biologist will be obligated to perform as a bid item work. MNS and LSA, our environmental subconsultant, will identify all of the work items to list in the Special Provisions for bid items associated with this work and work with the County and designed on final language for the contract.

MNS has managed numerous projects with similar significant environmental considerations, such as the Los Osos Valley Road (LOVR) Interchange at US 101, San Luis Bay Drive Bridge Replacement, San Juan Road Widening, and Cabrillo Boulevard Bridge Replacement projects. The San Luis Bay Drive Bridge Replacement project and the LOVR Interchange project constructed bridges over San Luis Obispo Creek and required relocation and monitoring of steelhead as well as red-legged frog protection. The San Juan Road Widening project required placement of exclusionary fencing and daily monitoring for the tiger salamander.

The CISS pile operation will require dewatering. Special consideration needs to be provided towards the requirements of the dewatering permit. Testing for turbidity and pH will likely be required prior to discharging the water and could determine

where and how the water can be discharged. This needs to be considered prior to going out to bid as discharge requirements can lead to significant cost and time impacts during construction if not determined up front. We also understand there is an environmentally sensitive area on the northwest portion of the river that cannot be disturbed. The contractor will be required to construct a temporary crossing over this area if they want to access the river in this area. This needs to be clearly called out in the Special Provisions.

Stormwater Pollution Control is another important element of the project. Our team includes certified QSP and QSD staff to ensure the project's compliance with the approved SWPPP and Water Pollution Control Board 401 permit. MNS inspectors will provide focused attention to dust control, prevention of sediment tracking onto the roadway, and site maintenance. Cheryl Lenhardt, PE, QSD/QSP, CPESC, CESSWI, will provide assist with SWPPP review and inspections as well as provide water sampling and testing. Cheryl has a close working relationship with the RWQCB and is one of the stormwater experts in California.

### **Foundation Construction**

The abutments are founded on 16-inch Class 140, Alt W driven steel piles which are standard details and should not present any issues as long as the contractor is experienced and has the proper pile driving equipment.

The bents are founded on 72-inch diameter cast-in-steel-shell (CISS) piles that range in length from 94- to 104 feet. The log of test borings indicates a groundwater surface elevation of about 300 feet in May 2006 in the San Benito River Channel at the bridge location. To construct the CISS pile foundations, cofferdams may need to be installed as the pile cut-off elevation is below the groundwater surface elevation noted in the Log of Test Borings. Once the cofferdams are installed, the CISS pile shells can be driven to the specified tip elevation of 190 feet for Bents 2 and 6, and 200 feet for Bents 3, 4, and 5. The CISS pile steel shell will most likely need to be spliced at site, so the contractor will need to use a pre-qualified welder and comply with the welding requirements in Section 49 of the Caltrans Standard Specifications. The inside of the CISS pile steel shell is then cleaned out leaving a 25-foot soil plug in the bottom of the steel pile shell. A 5-foot concrete plug is then placed in wet conditions above the 25-foot soil plug. Finally, after the 5-foot concrete plug cures, water and debris will be removed from the inside of the steel shell before the reinforcing steel and concrete can be placed in dry conditions. The steel shell must be also free of soil, rock, or other material deleterious to the bond between concrete and steel before placing reinforcement and concrete.

Hard driving of the steel shells occurs when either the soil is too dense to accept the pile or the hammer cannot produce enough energy to drive the pile. Upon review of the Log of Test Borings and a discussion with the geotechnical engineer or engineering geologist, we will arrange a meeting with the contractor discuss the type of driving that can be expected, and the contractors methods for achieving the pile specified tip elevations and the requirements of the driving system submittal if specified in the special provisions.

The Standard Specifications allows the contractor to furnish necessary drilling apparatus and drill holes not greater than the least dimension of the piles to the proper depth and drive the piles therein states when necessary to obtain the specified penetration and when authorized by the Design Engineer. When it appears that driving through dense or rocky soil could damage the tips of driven piles, the Standard Specifications also require the contractor to provide special driving tips, heavier pile sections, or other measures as approved by the Design Engineer to assist in driving a pile through a hard layer of material.

While it may be important to make a distinction between hard driving that was anticipated and what was not, MNS will work toward resolution of the issue (if encountered) quickly and efficiently in order to mitigate impacts to the project. There have been occasions where pile penetration to the specified tip elevation cannot be accomplished, despite everyone's best efforts. When this situation occurs, MNS will be proactive in finding an alternative solution if required. This includes conversation and meetings with Design Engineer and geotechnical engineer to find an alternative tip elevation, method, or design to address the challenge.

Timely placement of the CISS pile is critical to the overall schedule as there is limited time to perform this work within the river; any significant issue could push the overall schedule into another season if not quickly addressed and resolved. Thorough pre-planning to anticipate any resolve potential issues ahead of time is crucial to keeping the project on schedule.

### **Utility Relocation**

Several utility facilities are identified in the project plans that may impact the work of the contract. Furthermore, the PG&E and AT&T overhead lines are designated to be relocated during the course of construction. Effective coordination and timely relocation of these utilities will be critical to the overall progress of the work. Although the County will have utility agreements with the various individual companies involved in the relocation work, the County will have limited control over the progress of the utility relocation work. Therefore, there is a risk to the County

of utilities not being relocated within the time allocated in the Special Provisions.

Utility relocation work, if not managed and coordinated in a proactive manner, may cause delays to project completion resulting in claims for additional compensation from the contractor and potential additional cost to the County. Utility delays may also extend the completion of the project, thus impacting the local residential and business communities.

The key is to manage the relocation of the utilities in a proactive manner to minimize the risk of delays to the project. We will accomplish this by holding an initial utility coordination meeting immediately after receiving our Notice to Proceed from the County with representatives from all the utility companies performing relocation work on the project. At this meeting, we will establish relationships, review the overall project and the preliminary project schedule, and discuss how the work of each utility company will interface with each other and the work of the contractor. During this meeting we will work toward developing a commitment by the utility representatives to support the needs of the project. We will also develop a clear understanding of any constraints, concerns, or issues, and any measures or action required on our part to address or work around these issues.

After this initial meeting, it will be critical to keep this project on the utility companies' "radar screen" to ensure the needs of this project are not forgotten among their various other demands. MNS will accomplish this by holding regularly scheduled utility coordination meetings with the contractor and the utility companies performing relocation work on the project. These meetings will update the utilities on the progress of the work, when their work will need to be performed to ensure utility companies are scheduled to perform the work when needed, and raise any potential issues and address sufficiently in advance of the required work.

### **Community Relations**

Construction of the approaches will result in impacts to the Sunnyside Estates residential community on the north side of the bridge and Lakeside Stables on the south side of the bridge, including improvements to the Lakeside Stables entrance and a portion of interior driveways. It will be essential to minimize impacts to these residents/business to the fullest extent possible. Our team members are very experienced in this aspect of heavy construction and have the skills and temperament to successfully navigate this important matter.

Upon our review of the contract specifications during the constructability review, we will look for clearly defined restrictions to limit the contractor's impacts to residents/business.

With regard to minimizing impacts to residents, MNS will also review the contract document requirements to provide notification to the County or the residents prior to impacting access to private property, temporarily interrupting services to residents, or performing operations which may otherwise impacts residents.

Our approach to this challenge will be to modify the contract documents as follows:

- Work with the County and Design Engineer to establish milestones or durations within which specific work with significant impacts to the residents will be limited.
- Require the contractor to show in their baseline CPM schedule work impacts to residents.
- Require the contractor to provide written notification to the Resident Engineer within a specified time period prior to performing work impacting access to residents and prior to specific operations such as night work, work within temporary construction easements (TCEs), and work resulting in significant vibrations or high noise levels.

- Establish time periods when vehicular access to residences will be limited to, require the contractor to submit written plans detailing how they will perform work affecting vehicular access to residents, and provide safe passage for foot traffic to and from residences when vehicular access is restricted.

Our proposed team members have made and implemented similar recommendations on other projects. The results have minimized the impacts to the public and better controlled the construction work.

**TABLE B.1. RISK REGISTER—CRITICAL ELEMENTS**

ID	Risk Description	Project Impact	Response Strategy
1	<b>San Benito River Restricted Work Windows</b>  Timing of project award and the start of work is critical. There is a short window to complete the necessary work within the river.	Even a small delay in construction activities at the river can cause the project to "lose" the short work windows in any given year, necessitating a seven to eight month waiting period until the windows become available again the following year.	Ensure the specifications clearly delineate work window dates and delineate boundaries between the river channel and area outside the channel where year-round work will be allowed.
		Any delays in CDFW and RWQCB reviews of river access and SWPPP submittals have the potential to introduce delays and inefficiencies for contractor.	Advertise the project in December of 2019 so the project can be awarded in early 2020. This allows sufficient time for the contractor to mobilize, clear, and grub; approve all necessary submittals; and fabricate materials to be ready to start the in-water work on June 15th.
		Contractor has limited time to construct, piles, columns, and falsework within the active river channel. Any delays in the pile and column construction could push the project back an entire season.	Require the contractor to provide biologist qualifications and SWPPP submittals as early as the preconstruction meeting. Supply falsework and any temporary trestle design within three weeks of the Notice to Proceed (NTP).  Issue two construction NTPs—1) NTP for processing critical submittals and 2) NTP for starting field work.
2	<b>Environmental Stewardship</b>  Stormwater and biological concerns.	South Central California coast steelhead, California red-legged frog, California tiger salamander, western spadefoot, western pond turtle, San Joaquin whipsnake, western burrowing owl, American badger, and San Joaquin kit fox.	Initiate early surveys to determine any presence of these species. This will allow time for any relocation to take place well in advance of the June 15th work window within the creek.
		The RWQCB permit requires turbidity sampling of river on daily basis during potential pollution activities, but Caltrans Standard Specifications do not include this work in bid items.	Amend specifications to clarify contractor cost for all water sampling and identify payment mechanism within contract bid items.

**TABLE B.1. RISK REGISTER—CRITICAL ELEMENTS**

ID	Risk Description	Project Impact	Response Strategy
3	<b>Utilities</b>		
	Protection of existing underground facilities.  Relocation of PG&E and AT&T overhead facilities.	Relocation of PG&E gas lines and AT&T telecommunication as necessary for the re-alignment of Hospital Road will require careful coordination with utility owners.	Add relocation details, material specifications, specialty subcontractor list, and coordination requirements to construction contract documents.
4	<b>Community Relations</b>		
	Construction noise, vibration, and access.	Pile driving will result in strong vibration, intense noise, and potentially dust.  Work adjacent to several private properties will impact access.	Amend construction contract documents to include restricted work hours for this operation and mandatory dust control features.  Amend construction contract documents to require maintaining private driveway access at all times and providing a week advance notice for driveway paving.
		There is a commercial horse boarding facility just south of the bridge. These parties will be negatively impacted during the construction of embankments and realignment of driveways.	Add special provision to allow unhindered access and/or block out flagging and lane closures and related work activities during construction of embankment and driveways. Require the CPM schedule to show these restrictions in all baseline assumptions and programming.
5	<b>CISS Pile Construction</b>  High water table, potential high water pressure.	Log of Test Borings indicate a high water table and dense soils throughout the project site. This complicates construction of cast-in-steel-shell (CISS) piles.	Plans and specifications need to describe anticipated pile driving conditions and required submittals the contractor is to provide demonstrating the means and methods they will utilize complete pile installation. Consider adding clause that contractor must document past successful experience with pile placement under these conditions.



## Scope of Work

MNS tailored a scope of work to provide comprehensive construction management services to meet County and Caltrans LAPM requirements for the Hospital Road Bridge Low Water Crossing Replacement Project. Our comprehensive and hands-on approach to construction management delivers consistent, effective results and quality construction completion. The technical approach provided herein has been successfully utilized by MNS on similar bridge replacement projects and can be tailored to meet the County's needs as well as ensure compliance with the Caltrans LAPM.

### TASK 1 Pre-Construction Services



#### TASK 1.1 Project Review/Kick-off Meeting

Prior to construction, it will be important to obtain comprehensive knowledge and an understanding of the project documents and information surrounding the project that were not included in the Request for Proposal (RFP), such as the final plans, specifications, and permits. Our construction management approach begins with a kick-off meeting with the County's Project Manager and Design Engineer to share the intent of the plans and specifications; design constraints; features requiring special attention such as work within the river, temporary construction easements, and utility and permit coordination; and public outreach. Prior to construction, a clear protocol to be used throughout the project will be established such as:

- Roles and responsibilities, lines of communication, and levels of authorization
- Procedures for progress payments, Contract Change Orders (CCOs), Requests for Information (RFIs), and notifications
- SWPPP and permits
- Public information and awareness program

In addition, the MNS team will establish contact with all utility companies involved in the project for coordination efforts during construction.

#### TASK 1.2 Constructability Review

The first task, and one of the most critical for project success, is the constructability review of the draft plans and specifications. Our team has saved our clients time and money on many constructability and biddability reviews. The majority of our projects are constructed to Caltrans and FHWA rules, and we have never failed to ensure our local agency clients comply with funding and permit requirements and receive full reimbursement.

During the constructability review, we will identify potential coordination issues, missing details, and potential constraints or conflicts. MNS will utilize a constructability review checklist as a guide to reviewing project documents. MNS' constructability review will include the following features of the 100% PS&E package:

##### Specifications

MNS will review the specifications to ensure the bid items cover all the work shown on the plans and there are clear specifications to control the work of each bid item. We will also check quantities of key items potentially subject to later review under the contract item-price adjustment rules or potentially subjected to contract protests by performing contractors.

We will review the specifications to ensure complete payment clauses define the coverage in each bid item. The Caltrans Standard Specifications provide a lot of detailed work requirements, but sometimes lack payment clauses to address each item. We will provide a final focused review to ensure the completeness of all specifications when we properly identify all required contract work.

The Initial Study/Mitigated Negative Declaration and Categorical Exemption/Categorical Exclusion Determination Form included with the RFP contains work restrictions that must be fully addressed or clearly referenced in the specifications. For each external permit requirement, we will confirm the clarity of the biddable specifications to achieve contractor compliance and avoid unnecessary delays.

The highest element of risk on this contract is in the planned foundation work. Problems with pile construction that consume the permitted river window may impact the contract up to an entire year. A review of the Foundation Report and the background geotechnical investigation will focus on the clarity of the design and the specifications provide the best opportunity for problem-free construction.

## Plans

The contract plans will be reviewed to ensure they clearly describe the intent of each work feature. The improvements of the roadway, bridge, and utilities will be compared for spatial conflicts placing more than one item in the same location or in locations compromising one another. Typical examples include construction of a feature requiring permanent traffic barrier protection not matching the planned barrier stationing, or electrical systems shown on the same alignments as drainage or structure improvements.

## Site Review

Focused site reviews will ensure existing road and utility features have been identified in the plans and provisions have been made to incorporate them into the completed project. Similarly, the plans and specifications must provide clear directions for dealing with the public at the adjacent residences in a safe manner. Site lines for planned traffic control features will be reviewed to ensure access to properties bordering the project. We will confirm planned conforms to the existing project facilities are reasonable and fully designed in the plan set.

## Traffic Control

Our team will review the proposed traffic operation to ensure the plans accommodate all needed construction operations. This review includes proper timing of utility construction and relocation, construction access to the river and to/from Hospital Road, continuity of vehicle and pedestrian traffic patterns, and the order of work to be performed under permit restrictions.

### **TASK 1.3** Preliminary Schedule

As part of the pre-construction services, MNS will review the project schedule. We already developed a preliminary construction schedule for the project showing anticipated staging timelines for completing the work within two seasons and the estimated number of working days.

During this time, MNS will develop a more detailed project schedule representative of the project construction including permit and other constraints not available at the time of the RFP. We will review this internally and compare the schedule against the allotted working days to determine a realistic, but efficient schedule. The intent is to provide the contractor with a reasonable number of working days to complete the work, but only in the most efficient manner to promote both cost- and time-saving approaches for the project. We will use this preliminary schedule as a basis for reviewing the contractor's submitted baseline schedule.

### **TASK 1.4** Traffic Management

The Resident Engineer (RE) will review the contractor's proposed traffic control and management plans for conformity to contract Specifications, County standards, and California Manual of Uniform Traffic Control Devices (MUTCD) as part of the submittal review and approval process. This includes reviewing the contractor's proposed work plans and traffic control for potential conflicts with adjacent or nearby residences. Revision recommendations to the project construction schedule or specifications will be made to minimize temporary impacts to traffic during construction.

### **TASK 1.5** Dispute Resolution

MNS will work with the County and the contractor to develop a Dispute Review Program for the project in accordance with County requirements and/or Caltrans Standard Specifications. The agreed upon process will be submitted to the County's Project Manager for review and approval. In general, MNS tries to resolve all disputes at the lowest possible level in a timely manner. MNS will develop an escalation ladder to expedite dispute resolutions during the project.

### **TASK 1.6** Project Setup

MNS will develop project administration, documentation, and filing systems. These systems will be consistent with the Caltrans Construction Manual and LAPM, conform to the parameters established in the kick-off meeting, and be tailored to meet the County's needs.

Although MNS has its own in-house administration system, we will meet with the County to determine which management system best suits the County's needs for this project. At the County's request, we can also implement a web-based administration system such as Procure or EADOC for the project document control and administration.

At this time, MNS will develop a list of anticipated submittals with milestones required by the contractor. We will also contact the project stakeholders to establish a working relationship and expectations throughout the project.

### **TASK 1.7** Pre-Construction Meeting

MNS will coordinate and conduct the pre-construction meeting. Prior to the meeting, the RE will prepare a draft agenda for the County's review and comment. Representatives from the various key project stakeholders including the County, City of Hollister, PG&E, and any other affected utility will be invited. The meeting will focus on reviewing key contract provisions, especially those critical to the start of the work; establishing a common

understanding of how the work is to be performed; developing a plan for work coordination with the various project stakeholders; and agreeing on the process for effective communication to resolve any issues. The meeting will highlight the contractor's responsibility for:

- Order of work and utilities
- Safety, traffic control, and access
- Labor compliance and progress pay requests
- Submittals, RFIs, and CCOs
- Permit and environmental agreements and SWPPP
- Quality control and materials certification
- Schedule updates and weekly meeting

#### **TASK 1.8 Pre-Construction Jobsite Documentation**

Prior to the start of any project work, MNS will perform a detailed pre-construction photo and video survey to document the existing condition of the site for items to remain after the improvements, which may get damaged during the work, including facilities, fences, signal poles, trees, landscaping, irrigation, and utility infrastructure such as valve boxes and pull boxes.

Pre-construction notices, reports, or site photographs required for permitting agencies will be submitted at this time.

The project survey will extend sufficiently beyond the work limits to include any areas potentially damaged by the contractor. A pre-construction pavement condition survey will be performed along areas where pavement extends sufficiently beyond the limits of the roadway reconstruction work and the contractor's staging areas to monitor potential damage to the pavement due to construction traffic and equipment loads.

#### **TASK 2 Construction Management Services During Construction**



##### **TASK 2.1 Construction Management and Contract Administration**

MNS will implement the project administration system discussed in Task 1.6. This system will conform to the Caltrans LAPM and contain a process for organizing files to assist in documenting materials testing results and tracking correspondence and agreements, submittals, RFIs, CCOs and extra work bills,

progress payments, daily diaries, labor compliance (including certified payrolls), employee interviews, progress schedule and Weekly Statement of Working Days (WSWDs), progress pay estimates and quantities, potential claims, safety and traffic control, permit agreements, weekly meeting agenda and minutes, quality control records, and material certifications.

We will also coordinate with the contractor to establish a construction field office.

#### **TASK 2.2 Project Communication and Coordination**

The RE will act as the County's Representative in charge of project communication and coordination with the construction management team, County, City of Hollister, Caltrans, Design Engineer, utility companies, and contractor throughout the construction phase. The RE will provide constant communication with the County's Project Manager and keep the County informed of all project activities and concerns. The RE will be available immediately once the contract has been approved, and our full team will mobilize once construction starts.

**Weekly Construction Coordination Meetings.** The RE will conduct weekly meetings as part of the regular construction management duties. In addition to the County, other project stakeholders such as utilities will be invited as needed to the weekly progress meetings. Special utility meetings will also be coordinated for protection and relocation of project utilities. The weekly meeting provides a platform for clear communication and coordination during the project and overviews current and future work items as well as any potential issues. Discussions during the meeting will include the contractor's three-week-look-ahead schedule, the status of the overall project schedule and budget; review of the submittal, RFI, and CCO logs; and safety considerations to ensure work proceeds in an efficient manner without the need for interruptions resulting from safety concerns. Special meetings will be held with the contractor and other project stakeholders to discuss items such as:

- Construction work within the river
- Cast-in-steel-shell (CISS) pile placement
- Utility relocation work
- Hot mix asphalt (HMA) pre-paving

For each meeting, MNS will prepare the agenda and distribute the minutes, which will include pertinent discussions and action items.

**Monthly Summary Reports.** MNS will prepare monthly reports to provide updated project status and include:

- Executive summary narrative and cost report
- Updated schedule

- Project report
  - Description of current and future work activities with photos
  - Status logs for RFIs, submittals, CCOs, Notice of Potential Claims, and SWPPP
  - Discussion of any potential project issues and contractor performance problems

#### **TASK 2.3 Project Schedule Control**

The RE will review and analyze the contractor's proposed baseline CPM schedule and recommend acceptance or require changes. The initial review will verify the baseline schedule adheres to the contract specifications, the milestone dates meet the overall project schedule, appropriate and realistic relationships and durations, and critical and near critical path activities.

The contractor's approved baseline CPM schedule must be updated monthly to reflect the current progress of the work, changes to the work, weather delays, and remaining work to be performed. This is the most valuable tool for monitoring the overall project progress and approach to the work relative to the contractor's initially planned schedule, identifying potential concerns related to the contractor's actual progress, identifying potential issues affecting the overall work progress, evaluating the effects of delays and developing alternatives to mitigate them, and ensuring the project stays on track for timely completion.

Dean has extensive experience with CPM scheduling methods and software, performing CPM schedule reviews, preparing and evaluating time impact analyses for changes, and developing alternatives to improve upon the current schedule. MNS will examine monthly as-built schedule updates for completeness and identify any potential problems and impacts. Should the project begin to slip, the contractor will be requested to submit a Recovery Schedule showing their plan to get the project back on track. The contractor will be providing a three-week-look-ahead schedule, which will be reviewed at the weekly project meeting. The CPM and three-week-look-ahead schedules will be used to foresee when submittals need to be received and reviewed; to coordinate utility relocations; and to determine when to distribute notices to local businesses and residents.

#### **TASK 2.4 Project Cost Control**

Cost control will be an ongoing task throughout the project. Costs will be carefully managed to contain expenditures within the available budget. The project's document control system will be used to track and monitor the actual construction costs on a project. The tracking of contract item payments and quantities will be incorporated into the progress payment spreadsheet. These items will also be tracked: contract change order payments, extra work, supplemental work, and item overruns and

underruns. The project contingency balance will be verified as part of the monthly progress pay estimate review and submittal.

#### **Efficient Management of Resources**

The detailed look-ahead schedule will provide the RE with the information needed to efficiently manage MNS' team resources. The contractor's detailed plan for the work also allows the RE to identify specific inspection or testing staff required on a daily basis. This ensures the proper scheduling for test staff or other subconsultants to support the planned work.

The most effective way to avoid exceeding the resources allocated for specific tasks and to keep the contractor on schedule is to solve problems before delays occur. The contractor must be held to the obligation to complete the work within the time allowed in the construction contract. Our focus on preventing construction delays, combined with our monthly tracking reports, keep our costs down and our clients informed, resulting in a cost-effective project.

#### **TASK 2.5 Quantity Calculations and Progress Pay Estimate**

MNS understands the importance of providing adequate backup information to support costs paid to the contractor. The team will prepare accurate and complete quantity calculations (Q-sheets) for each contract item and each progress pay estimate. The RE will review the contractor's monthly pay request against the Q-sheets before recommending payment approval to the County. Extra work and supplemental work costs will be tracked and compared against the authorized change order amounts.

#### **TASK 2.6 Submittals and RFIs**

The timely review of submittals and RFIs will be critical to the construction of the project. Our document control system includes logs for tracking both submittals and RFIs. All submittals and RFIs will be logged and distributed as necessary. They are tracked and discussed at the weekly meeting with the contractor to ensure each is resolved quickly. RFIs are reviewed to see if they are legitimate before processing. Many contractor questions may be answered simply by pointing out details in the plans or citing applicable directions from the specifications. As the RE, Dean will monitor the log and coordinate with the County and Design Engineer as needed to ensure timely response to RFIs and submittals. Initial submittals to be reviewed and approved as the first order of work include:

- SWPPP
- Project baseline schedule
- Approval of the contractors biologist
- Traffic control plan
- CISS pile placement plan
- Pre-stress shop drawings

#### **TASK 2.7** Change Order Management

As part of their daily activities, the RE, and the field inspector will be alert for issues that may require changes to the work. The RE will contact the County's Project Manager promptly in the event of changes or potential changes to the work, and he will work with the contractor to eliminate or mitigate the effects of these changes.

If a change to the work is necessary, the RE will develop proposed alternatives and present these to the County's Project Manager and the Design Engineer. All CCOs must have a defined project scope of work and limits and be in compliance with the project documents. The RE will provide an initial order of magnitude estimate of the cost and time impacts associated with each alternative. This information will be used to determine the preferred alternative. Upon reaching agreement of the preferred alternative, a detailed scope and an independent cost analysis and time impact analysis will be prepared. This will form the basis for evaluating the contractor's submitted costs and time impact analysis for the changed work and negotiating a change order with the contractor.

A discussion of changes and potential changes will be a key agenda item for the weekly coordination meetings with the contractor to ensure the proper monitoring for changed work and effective mitigation of impacts to the project. Any potential claims associated with changes to the work will be addressed before becoming actual claims. The RE will work closely with the County's Project Manager, Design Engineer, and contractor to resolve change orders and/or disputes in a timely and efficient manner.

#### **TASK 2.8** Daily Field Inspection and Documentation

MNS will provide experienced project inspection staff skilled in the inspection of all aspects of the proposed improvements.

Our inspection team will ensure the contractor provides a quality product meeting the plans and specifications, safeguards the County from defects and deficiencies in the work, and guards public safety. To meet this goal, our staff's duties will include:

- Ensuring the contractor complies with work hour restrictions, noise regulations, and traffic handling requirements.
- Ensuring the contractor provides and maintains suitable access for pedestrians per ADA requirements and access to residential properties.
- Monitoring work for compliance with the large array of project permits and water pollution control requirements in the Construction General Permit and the contractor's approved SWPPP.

- Checking the work is being performed in accordance with the latest issued plan sheets, specifications, and submittals.
- Disallowing deviations from the contract documents unless proper approvals have been obtained.
- Verifying only conforming materials are incorporated into the work.
- Scheduling required materials testing and surveying.
- Reviewing all traffic control for compliance per WATCH and for performance in a safe manner. Monitoring that safe access is provided for bicycles, pedestrians, and vehicles.
- Providing daily photo documentation of the work performed.
- Regularly maintaining as-built drawings.

#### **Daily Reports**

Each inspector will prepare a daily report providing an accurate description of the work performed, labor and equipment, safety issues, quantities of materials, tests performed, deficient and remedied work, discussions with the contractor, and weather conditions. The Construction Inspector will collect labor compliance reviews and material verifications, prepare quantity calculation sheets, and maintain as-builts. The reports will incorporate relevant photos of work performed.

#### **TASK 2.9** Claims Management

Our objective is to resolve any potential claim at the job level before it becomes an actual claim. Potential claims submitted by the contractor will be acted on in a timely manner in accordance with the Dispute Resolution protocol set up in the pre-construction phase, as well as the contract documents and County policies and procedures. Dean will review all potential claims and resolve disputes in the most cost-effective and fair manner. We find the following reduces the risk of dealing with a contract claim:

- Anticipate problems and resolve issues proactively
- Timely response to RFIs and CCOs
- Keep quality documentation
- Be firm, but fair when analyzing potential disputes

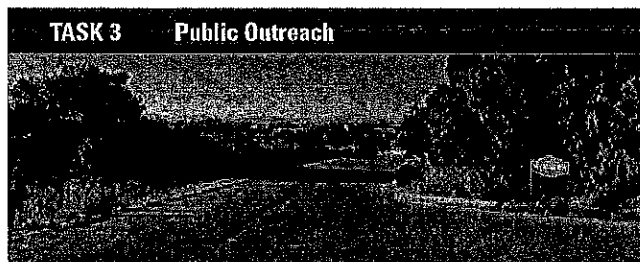
An experienced construction management team is the best resource available for early claims detection. Dean and Bob both have over 30 years of experience with inspecting and administering similar contracts, dispute resolution, and claim resolution. The County can rely on the judgment of our experienced management team throughout this project. A thorough review of the contract documents prior to bidding, utilizing our experience on similar projects, allows us to identify potential problems early and develop solutions to avoid potential claims, and minimize delays to the project.

## Claims Mitigation

In the event issues arise leading to potential claims, the RE will promptly notify the County's Project Manager of the nature of the issue, provide an initial assessment of the merit of the issue, and estimate the magnitude of the potential exposure to the County. Our steps in resolving the issue will be to explore alternatives to resolve the issue. In doing so, we will work with the Design Engineer for design-related problems. We will present the County with our alternatives and provide our recommended resolution along with an estimate of impacts, if any, to the contract time and budget. We aim to thoroughly defend the County's interests while solving the issue in the most cost- and time-effective manner.

### TASK 2.10 Independent Survey/Staking Check

Construction survey will be the responsibility of the contractor, but MNS will request copies of the cut sheets and will check field staking. Accurate survey will be important to avoid conflict with existing utilities and tying into the existing roadway. The Inspector will review cut sheets against the stakes and the plans to ensure the contractor has the correct information and there are no conflicts to construct the particular facility per the plans. During construction, the Inspector will verify grades for elements of the project.



### TASK 3 Public Outreach

The overall success of the project relies on good public relations with the surrounding community. Constructing the roadways north and south of the bridge and the tie-ins to the new bridge will have impacts on residential traffic in the area. Establishing and maintaining effective communication with local residents and motorists traveling through the project will be essential to maintaining a positive relationship with the community. MNS along with our public outreach specialist, Jennifer Russell, will coordinate with the County's Public Information Officer to develop a Public Outreach Plan to keep the public apprised of major project milestones and construction activities with potential impacts.

### TASK 3.1 Outreach Management

Jennifer will provide strategic advice and counsel, review project materials, and monitor team communications. In addition, She will attend a project kick-off meeting in person and regular

contract coordination meetings with the County Project Manager and RE as necessary. Jennifer will develop and implement public outreach strategies based on County Project Manager, RE, and County Public Information Officer input as necessary.

### TASK 4 Traffic Management Coordination



### TASK 4.1 Coordination and Communication

The RE will work with the County Project Manager and contractor identify potential conflicts or issues with the contractor's traffic control plans prior to mobilization. At this time, the RE will also coordinate with the County and contractor to develop effective procedures for notifying adjacent residents, businesses, and emergency services affected by construction and traffic control measures.

### TASK 5 Environmental Coordination



### TASK 5.1 Coordination and Communication

MNS subconsultant, LSA Associates (LSA), will provide oversight regarding the contractor's work related to fulfilling the environmental monitoring and mitigation contract requirements to assure contract compliance. LSA will utilize their prior experience for the project, including LSA's previous field surveys conducted at the project site and LSA's preparation of the NES, IS/MND, USACE, RWQCB, USFWS, and CDFW (both the Streambed Alteration Agreement and the Incidental Take Permit for California tiger salamanders) permit applications for the project. LSA can review compliance with implementation of the required mitigation/avoidance measures for the project, such as the installation of exclusion fencing and the implementation

of Best Management Practices and permit conditions to reduce potential impacts to the San Benito River, riparian habitat, and special-status species. If needed, LSA can implement specific biological resources conditions required within the NES, IS/ MND, and permits. These tasks can include assistance in getting the contractor's biologists approved for the project, conducting environmental awareness training sessions, and conducting pre-construction surveys and/or construction monitoring for special-status and protected wildlife species (e.g., South Central California coast steelhead, California red-legged frog, California tiger salamander, western spadefoot, western pond turtle, San Joaquin whipsnake, western burrowing owl, American badger, San Joaquin kit fox, and nesting birds).

#### **TASK 6 Materials Testing Services**



##### **TASK 6.1 Materials Testing**

MNS and our materials testing subconsultant, Pacific Crest Engineering (PCE), will develop and provide a comprehensive testing program for the project in accordance to the contract documents and per Caltrans and the County's Quality Assurance Program (QAP). The RE will be responsible for supervising and coordinating the materials testing program with PCE to ensure performance and documentation of all required testing. Sampling and testing activities will be conducted in accordance with the contract documents. PCE is a Caltrans certified lab and all testing will be performed by Caltrans certified technicians.

Sampling and testing of materials include aggregate base, hot mix asphalt (HMA), Portland cement concrete (PCC), and structure backfill.

Abe Construction Services (ACS) will perform gamma-gamma testing of the CISS piles, as specified, and follow up cross-hole sonic logging if needed for anomaly evaluation. ACS specializes in this work and is the leading gamma-gamma provider in Northern California. MNS recommends adding a clause to the Special Provisions to require the contractor to reimburse the County for cross-hole sonic logging if needed.

##### **TASK 6.2 Source Inspection**

Several of the materials will need to be source inspected at the point of manufacture or fabrication per Caltrans requirements. ZT Consulting Group (ZTC) will provide this specialized

source inspection and act as the project's Structural Materials Representative (SMR).

Offsite materials testing will include fabricated pre-stress cable, fabricated reinforcing steel shop welds and couplers, and bearing pads. Any failing tests or inspections, retests or re-inspections will be tracked and retested for approval. Retests and re-inspections will be billed directly to the contractor.

#### **TASK 7 SWPPP Coordination**



##### **TASK 7.1 Stormwater Compliance**

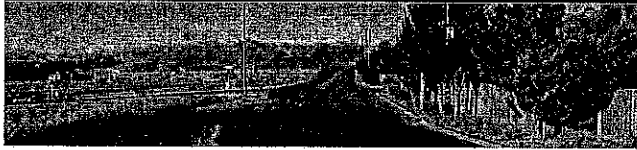
MNS will perform a comprehensive review of the contractor's submitted SWPPP in accordance with the Caltrans SWPPP and Water Pollution Control Program (WPCP) Review Guidance Manual, provide appropriate comments to the contractor and ensure that the final SWPPP complies with the Risk Level 2 requirements of the specifications and the State Water Regional Control Board (SWRCB) General Permit.

Prior to the onset of ground disturbing activities, we will enter the information required for the Notice of Intent into the Water Board's SMARTS system for certification by the County's legally responsible person and electronic submission to the Water Board.

During construction, MNS will continually monitor the work to ensure the contractor is implementing and maintaining appropriate Best Management Practices (BMPs), conducting and documenting their required inspections and performing required sampling and analysis of run-off at the appropriate discharge locations. Independent monthly water pollution control inspections will be performed by our field staff and documented. The contractor will be notified in writing of any deficiencies observed and corrective work will be verified and documented.

If changes to the approved SWPPP are required, we will require amendments to be submitted and approved. We will also ensure the required quarterly inspections for non-visible pollutants are performed and documented and that the annual report is submitted, reviewed, certified, and uploaded to the SWRCB SMARTS system.

## TASK 8 Project Closeout



### TASK 8.1 Closeout

MNS will maintain an up-to-date set of as-built plans, quantities, CCO costs, and general record keeping throughout the project's construction in order to expedite and ensure accuracy of final documents and reports. Closeout items include:

**Record Drawings.** MNS will maintain a field set of as-built drawings in accordance with the contract requirements to ensure the record drawings are complete. The office will utilize its field set of as-built drawings for use to ensure the contractor's copy is complete. Upon completion, the final set of record drawings will be reviewed by the RE and submitted through the County's Project Manager to the Design Engineer for final processing.

**Final Inspection and Punch List.** MNS will develop a punch list for the work performed, notify the contractor, and re-inspect the completed work. A final walk through of the project will be scheduled with the County, Caltrans, and any other party the County may wish to attend.

**Acceptance and Final Report.** MNS will evaluate the contractor's completion of work and make a final acceptance recommendation to the County and Caltrans. The proposed final estimate will be prepared and submitted to the contractor for review and acceptance. MNS will submit the Notice of Completion, project files, and the Final Reports and Certifications in accordance with County requirements and Chapter 17 of the Caltrans LAPM.

**Claims Assistance (if required).** MNS will provide assistance to the County for any unresolved disputes with the contractor. The MNS team will follow a three-phase approach to resolving the claim. This will include 1) preparing a report summarizing all the information on the issue with backup documentation and recommendations for resolving the claim, 2) performing an analysis of the documents and discussions to date, and recommend a strategy to resolve the claim, and 3) support the County in any negotiations, arbitration, or litigation to resolve the claim.

## Schedule and Cost Control

As part of contract setup, one of the first actions upon selection is to meet with the County's Project Manager (PM) to establish a deeper understanding of the project goals; a clear protocol for administering the project; and achievable project, schedule, budget, and expectations for the contract. Communication is fundamental to establishing a firm foundation. **MNS Principal-in-Charge/Project Manager, Paul Goryl, PE, LEED AP, and Resident Engineer/Structure Representative, Dean Russu, PE, CCM, QSD/QSP, will work directly with the County and be responsible for managing the successful completion of the bridge replacement project. Important fundamentals employed in delivering a project such as the Hospital Road Bridge Low Water Crossing Replacement Project are quality control, schedule control, and cost control.**



### Cost and Schedule Control

Cost and schedule control are ongoing tasks throughout the life of a project. Schedule and costs will be carefully managed to contain expenditures within the project budget. MNS aggressively pursues cost savings measures and seeks to identify and implement cost reducing opportunities throughout a project.

A few methods to assist with increasing construction efficiency, adhering to the schedule, and minimizing costs include understanding and being familiar with the project, permit requirements and restrictions, utility relocations, and other challenges prior to commencing the work:

- Schedule review and maintenance.
- Anticipate potential areas and items that may cause time and cost impacts and address them early.
- Provide clear, simple procedures for addressing problems.
- Track quantities and change order work.
- Clear communication with project stakeholders.

The project's document control system will track and monitor the actual project construction cost. The tracking of contract item payments and quantities is incorporated into the progress payment spreadsheet. Contract change order payments, extra work, supplemental work, and item overruns and underruns will also be tracked. MNS will work closely with the County's PM, Design Engineer, and contractor to resolve all change orders and or disputes at the lowest level in an effort to minimize escalation of cost and schedule impacts to the project.



**Budget Control**

Paul and Dean will work directly with the County's PM to effectively communicate work status, progress, and MNS team performance to the County. Contract budget will be accurately tracked, and detailed cost and budget information will be clearly provided to the County's PM throughout the contract. If any events on the construction contract arise affecting our budget, these will be discussed immediately with the County's PM.

**ATTACHMENT B**  
**Payment Schedule**

**B-1. BILLING**

Charges for services rendered pursuant to the terms and conditions of this contract shall be invoiced on the following basis: (check one)

- ☒ One month in arrears.
- ☐ Upon the complete performance of the services specified in Attachment A.
- ☐ The basis specified in paragraph B-4.

**B-2. PAYMENT**

Payment shall be made by COUNTY to CONTRACTOR at the address specified in paragraph 8 of this contract, net thirty (30) days from the invoice date.

**B-3. COMPENSATION**

COUNTY shall pay to CONTRACTOR: (check one)

☐ a total lump sum payment of \$ \_\_\_\_\_, or

☒ a total sum not to exceed \$ 1,498,880.02, which includes

☒ a fixed fee of \$ 107,081.33

for services rendered pursuant to the terms and conditions of this contract and pursuant to any special compensation terms specified in this attachment, Attachment B and Attachment D, Section 3.2.

**B-4. SPECIAL COMPENSATION TERMS: (check one)**

☒ There are no additional terms of compensation.

☐ The following specific terms of compensation shall apply: (Specify)

**END OF ATTACHMENT B.**

**EXHIBIT 10-H COST PROPOSAL- Hospital Road Bridge Low Water Crossing Replacement** Page 1 of 3  
**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
 (DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

☒ Prime Consultant ☐ Subconsultant ☐ 2nd Tier Subconsultant

Consultant MNS ENGINEERS INC.

Contract No. \_\_\_\_\_

Date 12/4/2019**DIRECT LABOR**

Classification/Title	Name	hours	Actual Hourly Rate	Total
PIC/Project Manager	Paul Goryl, PE	224	\$122.74	\$27,493.76
Resident Engineer/Structure Representative	Dean Russu, PE	2186	\$86.24	\$188,520.64
Construction Inspector*	Bob Riggins	3296	\$64.24	\$211,735.04
Construction Inspector*	Ken Shaner	0	\$68.08	\$0.00
Office Engineer	Laurie Jones	500	\$35.19	\$17,595.00
Survey Quality Assurance	Fred Tice, PLS	152	\$66.35	\$10,084.62
				\$0.00
				\$0.00

**LABOR COSTS**

a) Subtotal Direct Labor Costs

\$455,429.06

b) Anticipated Salary Increases (see page 2 for sample)

\$6,148.29

c) **TOTAL DIRECT LABOR COSTS [(a) + (b)]** \$461,577.35**INDIRECT COSTS**

d) Fringe Benefits

(Rate: 55.63%)

i) Total Fringe Benefits [(c) x (d)]

\$256,775.48

Overhead

(Rate: 76.36%)

g) Overhead [(c) x (f)]

\$352,460.47

h) General and Administrative

(Rate: 0.00%)

i) Gen &amp; Admin [(c) x (h)]

\$0.00

j) **Total Indirect Costs [(e) + (g) + (i)]** \$609,235.95**FIXED FEE**

10.00%

k) **TOTAL FIXED FEE [(c) + (j)] x fixed fee 10%** \$107,081.33**CONSULTANT'S OTHER DIRECT COSTS (ODC) - ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit(s)	Unit Cost	Total
Mileage Costs				\$0.00
Equipment and Supplies (supported by consultant actual costs)	1	EA	\$500.00	\$500.00
Travel Expenses (supported by consultant actual costs)	1	EA	\$14,500.00	\$14,500.00
Permit Fees			\$0.00	\$0.00
Other			\$0.00	\$0.00
l) <b>TOTAL OTHER DIRECT COSTS</b>				\$15,000.00

**i) SUBCONSULTANT'S COSTS (Add additional pages if necessary)**

Subconsultant 1: Pacific Crest Engineering

\$227,509.38

Subconsultant 2: LSA

\$29,141.00

Subconsultant 3: WRECO

\$30,275.00

Subconsultant 4: ZT Consultants

\$19,060.00

m) **TOTAL SUBCONSULTANT'S COST** \$305,985.38n) **TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l) + (m)]** \$320,985.38**TOTAL COST [(c) + (j) + (k) + (n)]** \$1,498,880.02**NOTES:**

- Key personnel must be marked with an asterisk (\*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (\*\*). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

**EXHIBIT 10-H COST PROPOSAL (EXAMPLE #1) PAGE 2 OF 2**  
**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
**(SAMPLE CALCULATIONS FOR ANTICIPATED SALARY INCREASES)**

Consultant MNS ENGINEERS INC Contract No.                      Date 12/4/2019

1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours) 43803

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$455,429.06	6358	=	\$71.63	Year 1 Avg Hourly Rate

2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$71.63	+	0%	=	\$71.63	Year 2 Avg Hourly Rate
Year 2	\$73.78	+	3%	=	\$73.78	Year 3 Avg Hourly Rate
Year 3	\$75.99	+	3%	=	\$75.99	Year 4 Avg Hourly Rate
Year 4	\$78.27	+	3%	=	\$78.27	Year 5 Avg Hourly Rate
Year 5	\$80.62	+	3%	=	\$80.62	Year 5 Avg Hourly Rate

3. Calculate estimated hours per year (Multiply estimate % each year by total hours)

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	55.00%	*	6358.0	=	3496.9	Estimated Hours Year 1
Year 2	45.00%	*	6358.0	=	2861.1	Estimated Hours Year 2
Year 3	0.00%	*	6358.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	6358.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	6358.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	6358.0	

4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)

\$461,577.35

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$71.63	*	3497	=	\$250,485.98	Estimated Hours Year 1
Year 2	\$73.78	*	2861	=	\$211,091.37	Estimated Hours Year 2
Year 3	\$75.99	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$78.27	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$80.62	*	0	=	\$0.00	Estimated Hours Year 5
Total Direct Labor Cost with Escalation					\$461,577.35	
Direct Labor Subtotal before Escalation					\$455,429.06	
Estimated total of Direct Labor Salary Increase					\$6,148.29	Transfer to Page 1

NOTES:

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
- An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
- This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.

**Certification of Direct Costs:**

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)


All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

**Prime Consultant or Subconsultant Certifying:**

Name: Greg Chelini

Title\*: Vice President

Signature: 

Date of Certification (mm/dd/yyyy): 12/20/2019

Email:

gchelini@mnsengineers.com

Phone Number: 805.456.3520

Address: 201 N. Calle Cesar Chavez, Suite 300, Santa Barbara, CA 93103

\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Construction management and inspection services

**EXHIBIT 10-H COST PROPOSAL - Bridge Street Bridge Rehabilitation**  
**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
**(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)**

Consultant Pacific Crest Engineering

Contract No.

Date 12/12/2019

**DIRECT LABOR**

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal Engineer	Elizabeth Mitchell	32	\$85.82	\$ 2,746.24
Associate Engineer	Man Maciel	25	\$61.08	\$ 1,527.00
Associate Engineer	Soma Gonsky	30	\$59.15	\$ 1,774.50
Clerical Admin	Jennifer Oles	48	\$37.75	\$ 1,812.00
Materials Tester*	Chris Clary	105	\$61.75	\$ 6,483.75
Materials Tester*	Mark Mitchell	32	\$61.78	\$ 1,977.16
Materials Tester*	Ricky Brobbie	105	\$58.91	\$ 6,185.55
Materials Tester*	Memo Goulart	105	\$61.52	\$ 6,459.60
Materials Tester*	Michael Luciano	105	\$64.34	\$ 6,755.70
Materials Tester*	Edward Carrillo	105	\$62.89	\$ 6,603.45
Materials Tester*	David Olivares	105	\$63.57	\$ 6,674.85
Materials Tester*	Brian Apolinario	105	\$59.94	\$ 6,293.70
Laboratory Technician	Brian Apolinario	40	\$23.63	\$ 945.20
Laboratory Technician	David Olivares	40	\$28.88	\$ 1,155.20

**LABOR COSTS**

a) Subtotal Direct Labor Costs

\$56,182.20

b) Anticipated Salary Increases (see page 2 for sample)

\$1,729.64

c) TOTAL DIRECT LABOR COSTS [(a) + (b)]

\$57,911.84

**FRINGE BENEFITS**

d) Fringe Benefits

(Rate: 64.87%)

e) Total Fringe Benefits

[(c) x (d)] \$37,474.30

**INDIRECT COSTS**

f) Overhead

(Rate: 67.38%)

g) Overhead [(c) x (f)]

\$38,841.90

h) General and Administrative

(Rate: 38.34%)

i) Gen &amp; Admin [(c) x (h)]

\$21,913.75

j) Total Indirect Costs [(g) + (i) + (d)]

\$97,999.46

**FEE (Profit)**

k) (Rate: 10.00%)

l) TOTAL FIXED PROFIT [(c) + (j) x (k)]

\$115,523.53

**OTHER DIRECT COSTS (ODC)**

Description

Unit(s)

Unit Cost

Total

l) Soil Aggregate/HMA Laboratory Analysis

250

\$195.00

\$48,750.00

m) Concrete Testing

200

\$40.00

\$8,000.00

n)

\$0.00

o)

\$0.00

p) Total Other Direct Costs [(l) + (m) + (n) + (o)]

\$56,750.00

TOTAL COST [(c) + (j) + (k) + (p)]

\$227,509.38

**NOTES:**

- Employees subject to prevailing wage requirements to be marked with an \*.
- ODC items should be based on actual costs and supported by historical data and other documentation.
- ODC items that would be considered "tools of the trade" are not reimbursable.
- ODC items should be consistently billed directly to all clients, not just when client will pay for them as a direct cost.
- ODC items when incurred for the same purpose, in like circumstances, should not be included in any indirect cost pool or in overhead rate.

Page 1 of 7

**EXHIBIT 10-H. COST PROPOSAL (EXAMPLE #1) - PAGE 2 OF 2****ACTUAL COST-PLUS-FIXED-FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS  
(SAMPLE CALCULATIONS FOR ANTICIPATED SALARY INCREASES)**
 Consultant Pacific Crest Engineering Contract No.                      Date 4/30/11
**1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours) 4/30/11**

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal	Avg Hourly Rate	2 Year Contract Duration
\$56,182.20	962	= \$58.40	Year 1 Avg Hourly Rate

**2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)**

	Avg Hourly Rate	Proposed Escalation		
Year 1	\$58.40	4%	=	\$60.74 Year 2 Avg Hourly Rate
Year 2	\$60.74	4%	=	\$63.17 Year 3 Avg Hourly Rate

**3. Calculate estimated hours per year (Multiply estimate % each year by total hours)**

	Estimated % Completed Each Year	Total Hours per Cost Proposal	Total Hours per Year	
Year 1	50.00%	962.0	= 481.0	Estimated Hours Year 1
Year 2	50.00%	962.0	= 481.0	Estimated Hours Year 2
Total	100%	Total	= 962.0	

**4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours) \$50,593.08**

	Avg Hourly Rate (calculated above)	Estimated hours (calculated above)	Cost per Year	
Year 1	\$58.40	481	= \$28,091.60	Estimated Hours Year 1
Year 2	\$60.74	481	= \$29,214.94	Estimated Hours Year 2
Total Direct Labor Cost with Escalation			= \$57,306.54	
Direct Labor Subtotal before Escalation			= \$56,182.20	
Estimated total of Direct Labor Salary Increase			= \$1,123.64	Transfer to Page 1

**NOTES:**

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a break-down of the labor to be performed each year.
- An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 3% x 5 yrs = \$25,000 is not an acceptable methodology)
- This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.

Page 1 of 2

**Exhibit 10-HI Cost Proposal Page 3 of 3**  
**Actual Cost-Plus-Fixed Fee or Lump sum (Firm Fixed Price) contracts**  
**(Design, Engineering and Environmental Studies)**

**Certification of Direct Costs:**

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 111 - Lending of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 2904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted indirect cost rate(s).

**Prime Consultant or Subconsultant Certification:**

Name: Elizabeth Mitchell Title: President  
 Signature: *Elizabeth Mitchell* Certification Date: 12-19-2019  
 Email: elizabeth@haseengineering.net Phone: 831-722-9446  
 Address: 444 Airport Boulevard, Suite 106, Watsonville, CA 95076

\* An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

**List services the consultant is providing under the proposed contract:**

Materials testing



## EXHIBIT 10-H1 COST PROPOSAL PAGE 1 OF 3

**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed

☐ Prime Consultant☒ Subconsultant☐ 2nd Tier SubconsultantConsultant LSA Associates, Inc.

Project No. \_\_\_\_\_

Contract No. \_\_\_\_\_

Date 10/17/2019**DIRECT LABOR**

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal In Charge	Tim Lacy	4	\$57.68	\$230.72
Project Manager*	Dan Sidle	42	\$45.85	\$1,925.70
Senior Biologist	Laura Belt	12	\$37.82	\$453.84
Senior Biologist	John Kunna	12	\$41.20	\$494.40
Senior Biologist	David Muth	24	\$46.31	\$1,111.44
Biologist	Aly Schmidt	12	\$29.70	\$356.40
Senior Biologist*	Mike Trueblood	64	\$38.57	\$2,468.48
Senior Biologist	Gretchen Zantzinger	24	\$38.37	\$920.88
Project Assistant	Jenna Puscizna	12	\$25.48	\$305.76

a) Subtotal Direct Labor Costs

\$8,267.62

b) Anticipated Salary Increases (see page 2 for calculation)

\$206.69

c) TOTAL DIRECT LABOR COSTS [(a) + (b)]

\$8,474.31

**INDIRECT COSTS**d) Fringe Benefits (Rate: 81.44%)

e) Total Fringe Benefits [(c) x (d)]

\$6,901.48

f) Overhead & G&A (Rate: 115.54%)

g) Overhead [(c) x (f)]

\$9,791.22

h) General and Administrative (Rate: 0.00%)

i) Gen &amp; Admin [(c) x (h)]

\$0.00

j) TOTAL INDIRECT COSTS [(e) + (g) + (i)]

\$16,692.70

**FIXED FEE**k) TOTAL FIXED FEE [(c) + (j)] x fixed fee 10.00%

\$2,516.70

**l) CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE (Add additional pages if necessary)**

Description of Item	Quantity	Unit	Unit Cost	Total
Reproduction (8.5 x 11 B/W)	100	Per Page	\$0.07	\$7.00
Mileage (on-road)	2500	Miles	\$0.58	\$1,450.00

l) TOTAL OTHER DIRECT COSTS

\$1,457.00

**m) SUBCONSULTANTS' COSTS (Add additional pages if necessary)**

Subconsultant 1:	\$0.00
Subconsultant 2:	\$0.00
Subconsultant 3:	\$0.00
Subconsultant 4:	\$0.00
Subconsultant 5:	\$0.00

m) TOTAL SUBCONSULTANTS' COSTS

\$0.00

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS [(l)+(m)]

\$1,457.00

TOTAL COST [(c) + (j) + (k) + (n)]

\$29,140.71\*

**NOTES:**

1. Key personnel must be marked with an asterisk (\*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (\*\*). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
3. Anticipated salary increases calculation (page 2) must accompany.

\*Additional scope of work and optional tasks are noted on the attached document.

**EXHIBIT 10-H COST PROPOSAL PAGE 2 OF 3****ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
(CALCULATIONS FOR ANTICIPATED SALARY INCREASES)**1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)**

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$8,267.62	206.00	=	\$40.13	Year 1 Avg Hourly Rate

**2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)**

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$40.13	+	5%	=	\$42.14	Year 2 Avg Hourly Rate
Year 2	\$42.14	+	5%	=	\$44.25	Year 3 Avg Hourly Rate
Year 3	\$44.25	+	5%	=	\$46.46	Year 4 Avg Hourly Rate
Year 4	\$46.46	+	5%	=	\$48.78	Year 5 Avg Hourly Rate

**3. Calculate estimated hours per year (Multiply estimate % each year by total hours)**

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	50.00%	*	206.0	=	103.0	Estimated Hours Year 1
Year 2	50.00%	*	206.0	=	103.0	Estimated Hours Year 2
Year 3	0.00%	*	206.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	206.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	206.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	206.0	

**4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)**

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$40.13	*	103.0	=	\$4,133.81	Estimated Hours Year 1
Year 2	\$42.14	*	103.0	=	\$4,340.50	Estimated Hours Year 2
Year 3	\$44.25	*	0.0	=	\$0.00	Estimated Hours Year 3
Year 4	\$46.46	*	0.0	=	\$0.00	Estimated Hours Year 4
Year 5	\$48.78	*	0.0	=	\$0.00	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$8,474.31	
Direct Labor Subtotal before Escalation				=	\$8,267.62	
Estimated total of Direct Labor Salary Increase				=	\$206.69	Transfer to Page 1

**NOTES:**

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % Increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary Increase % multiplied by the # of years is not acceptable.  
(i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

**EXHIBIT 10-H1 COST PROPOSAL PAGE 3 OF 3****Certification of Direct Costs:**

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:


1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

**Prime Consultant or Subconsultant Certifying:**

Name: Rosie Evans Title\*: Chief Financial Officer

Signature:  Date of Certification (mm/dd/yyyy): 10/17/2019

Email: rosie.evans@lsa.net Phone Number: (949) 553-0666 Ext. 200

Address: 20 Executive Park, Suite 200, Irvine, CA 92614

\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Construction Monitoring Oversight

## EXHIBIT 10-H1 COST PROPOSAL

Page 1 of 3

## ACTUAL COST-PLUS-FIXED-FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS

(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)

Note: Mark-ups are Not Allowed

☐ Prime Consultant ☒ Subconsultant ☐ 2<sup>nd</sup> Tier SubconsultantConsultant: WRECOProject No.: \_\_\_\_\_ Contract No.: \_\_\_\_\_ Date: 10/17/2019

## DIRECT LABOR

Classification/Title	Name	Hours	Actual Hourly Rate	Total
Principal Engineer	TBD	0	\$ 97.76	\$ -
Supervising Engineer	TBD	0	\$ 80.83	\$ -
Senior Environmental Scientist	TBD	62	\$ 42.79	\$ 2,652.98
Staff Environmental Scientist	TBD	214	\$ 30.00	\$ 6,420.00
Senior Technician	TBD	0	\$ 31.51	\$ -
Technical Editor	TBD	0	\$ 29.00	\$ -

## LABOR COSTS

a) Subtotal Direct Labor Costs	\$ 9,072.98
b) Anticipated Salary Increases (see page 2)	\$ 356.30
c) TOTAL DIRECT LABOR COSTS	\$ 9,429.28

## INDIRECT COSTS

d) Fringe Benefits Rate:	70.36%	e) Total Fringe Benefits	\$ 6,634.44
f) Overhead Rate:	32.32%	g) Overhead	\$ 3,047.54
h) General and Administrative Rate:	35.12%	i) Gen & Admin	\$ 3,311.56
		j) TOTAL INDIRECT COSTS	\$ 12,993.54

## FIXED FEE

Rate:	10.00%	k) TOTAL FIXED FEE	\$ 2,242.29
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## l) CONSULTANT'S OTHER DIRECT COSTS (ODC) – ITEMIZE

## Description

Travel/Mileage/Vehicle (supported by consultant actual costs)

Reproductions

Overnight Delivery/Shipment

Laboratory Testing - Non-DBE

Drilling and Field Sampling - Non-DBE

Traffic Control Non-DBE

Potholing &amp; Roadway Patching

Quantity	Unit(s)	Unit Cost	Total
9328	Miles	\$ 0.580	\$ 5,410.00
2	EA	\$ 75.00	\$ 150.00
2	EA	\$ 25.00	\$ 50.00
	LS	\$ -	\$ -
	LS	\$ -	\$ -
	LS	\$ -	\$ -
	LS	\$ -	\$ -

l) TOTAL OTHER DIRECT COSTS \$ 5,610.00

## m) SUBCONSULTANTS' COSTS

Subconsultant 1:

	\$ -
m) TOTAL SUBCONSULTANTS' COSTS	\$ -

n) TOTAL OTHER DIRECT COSTS INCLUDING SUBCONSULTANTS \$ 5,610.00

TOTAL COST \$ 30,275.11

## NOTES:

- Key personnel must be marked with an asterisk (\*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (\*\*). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
- The cost proposal format shall not be amended. Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans.
- Anticipated salary increases calculation (page 2) must accompany.

## EXHIBIT 10-H1 COST PROPOSAL

Page 2 of 3

**ACTUAL COST-PLUS-FIXED-FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
 (SAMPLE CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

**1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours)**

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$9,072.98	276.0	=	32.87	Year 1 Avg Hourly Rate

**2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)**

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$32.87	+	3%	=	\$33.86	Year 2 Avg Hourly Rate
Year 2	\$33.86	+	3%	=	\$34.88	Year 3 Avg Hourly Rate
Year 3	\$34.88	+	3%	=	\$35.92	Year 4 Avg Hourly Rate
Year 4	\$35.92	+	3%	=	\$37.00	Year 5 Avg Hourly Rate

**3. Calculate estimated hours per year (Multiply estimate % each year by total hours)**

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	0.0%	*	276.00	=	0.00	Estimated Hours Year 1
Year 2	70.0%	*	276.00	=	193.20	Estimated Hours Year 2
Year 3	30.0%	*	276.00	=	82.80	Estimated Hours Year 3
Year 4	0.0%	*	276.00	=	0.00	Estimated Hours Year 4
Year 5	0.0%	*	276.00	=	0.00	Estimated Hours Year 5
Total	100%		Total	=	276.0	

**4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)**

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$32.87	*	0.00	=	\$0.00	Estimated Hours Year 1
Year 2	\$33.86	*	193.20	=	\$6,541.62	Estimated Hours Year 2
Year 3	\$34.88	*	82.80	=	\$2,887.66	Estimated Hours Year 3
Year 4	\$35.92	*	0.00	=	\$0.00	Estimated Hours Year 4
Year 5	\$37.00	*	0.00	=	\$0.00	Estimated Hours Year 5
			Total Direct Labor Cost with Escalation	=	\$9,429.28	
			Direct Labor Subtotal before Escalation	=	\$9,072.98	
			Estimated total of Direct Labor Salary Increase	=	\$356.30	Transfer to Page 1

**NOTES:**

1. This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
2. An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
3. This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.
4. Calculations for anticipated salary escalation must be provided.

## EXHIBIT 10-H1 COST PROPOSAL

Page 3 of 3

Certification of Direct Costs:

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

Prime Consultant or Subconsultant Certifying:Name: Han-Bin Liang, Ph.D., P.E.Title: PresidentSignature: Date of Certification (mm/dd/yyyy): 10/18/2019Email: hanbin\_liang@wreco.comPhone Number: (925) 941-0017Address: 1243 Alpine Road, Suite 108, Walnut Creek, CA 94596

\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

SWPP Review and Stormwater Compliance Oversight

## Cost Proposal

**EXHIBIT 10-H COST PROPOSAL- Bridge Street Bridge Rehabilitation**  
**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
**(DESIGN, ENGINEERING AND ENVIRONMENTAL STUDIES)**

Consultant ZT Consulting Group IncContract No. BRLKS-NBIL(501)Date 10/10/2019**DIRECT LABOR**

Classification/Title	Name	hours	Actual Hourly Rate	Total
		0	\$0.00	\$0.00
Quality Engineer	Farzad Tasbihgoo	16	\$70.00	\$1,120.00
		0	\$0.00	\$0.00
Source Inspector	Andrew Soria	64	\$45.00	\$2,880.00
		0	\$0.00	\$0.00
		0	\$0.00	\$0.00
				\$0.00
				\$0.00

**LABOR COSTS**

a) Subtotal Direct Labor Costs

\$4,000.00

b) Anticipated Salary Increases (see page 2 for sample)

\$0.00

c) **TOTAL DIRECT LABOR COSTS [(a) + (b)]**

\$4,000.00

**FRINGE BENEFITS**d) Fringe Benefits (Rate: 0.00%)e) **Total Fringe Benefits**

[(c) x (d)] \$0.00

**INDIRECT COSTS**

f) Overhead

(Rate: 110.00%)

g) Overhead [(c) x (f)]

\$4,400.00

h) General and Administrative

(Rate: 0.00%)

i) Gen &amp; Admin [(c) x (h)]

\$0.00

j) **Total Indirect Costs [(e) + (g) + (i)]**

\$4,400.00

**FEE (Profit)**q) (Rate: 10.00%)k) **TOTAL FIXED PROFIT [(e) + (j)] x (q)]**

\$840.00

**OTHER DIRECT COSTS (ODC)****Description****Unit(s)****Unit Cost****Total**

- l) Strand Testing  
 m) Bearing Pad Testing  
 n) Hoops Testing  
 o) Travel - Per Caltrans Policy for Source Inspection

10	\$150.00	\$1,500.00
1	\$1,200.00	\$1,200.00
32	\$160.00	\$5,120.00
5	\$400.00	\$2,000.00

p) **Total Other Direct Costs [(l) + (m) + (n) + (o)]**

\$9,820.00

**TOTAL COST [(c) + (j) + (k) + (p)]**

\$19,060.00

**NOTES:**

- Employees subject to prevailing wage requirements to be marked with an \*.
- ODC items should be based on actual costs and supported by historical data and other documentation.
- ODC items that would be considered "tools of the trade" are not reimbursable.
- ODC items should be consistently billed directly to all clients, not just when client will pay for them as a direct cost.
- ODC items when incurred for the same purpose, in like circumstances, should not be included in any indirect cost pool or in overhead rate.

**EXHIBIT 10-H COST PROPOSAL (EXAMPLE #1) PAGE 2 OF 2**  
**ACTUAL COST-PLUS-FIXED FEE OR LUMP SUM (FIRM FIXED PRICE) CONTRACTS**  
 (SAMPLE CALCULATIONS FOR ANTICIPATED SALARY INCREASES)

Consultant ZT Consulting Group Inc. Contract No. BRKS-NBIE(601) Date 10/10/2019

**1. Calculate Average Hourly Rate for 1st year of the contract (Direct Labor Subtotal divided by total hours) 43748**

Direct Labor Subtotal per Cost Proposal	Total Hours per Cost Proposal		Avg Hourly Rate	5 Year Contract Duration
\$4,000.00	80	=	\$50.00	Year 1 Avg Hourly Rate

**2. Calculate hourly rate for all years (Increase the Average Hourly Rate for a year by proposed escalation %)**

	Avg Hourly Rate		Proposed Escalation			
Year 1	\$50.00	+	0%	=	\$50.00	Year 2 Avg Hourly Rate
Year 2	\$50.00	+	3%	=	\$51.50	Year 3 Avg Hourly Rate
Year 3	\$51.50	+	3%	=	\$53.05	Year 4 Avg Hourly Rate
Year 4	\$53.05	+	3%	=	\$54.64	Year 5 Avg Hourly Rate
Year 5	\$54.64	+	3%	=	\$56.28	Year 5 Avg Hourly Rate

**3. Calculate estimated hours per year (Multiply estimate % each year by total hours)**

	Estimated % Completed Each Year		Total Hours per Cost Proposal		Total Hours per Year	
Year 1	90.00%	*	80.0	=	72.0	Estimated Hours Year 1
Year 2	10.00%	*	80.0	=	8.0	Estimated Hours Year 2
Year 3	0.00%	*	80.0	=	0.0	Estimated Hours Year 3
Year 4	0.00%	*	80.0	=	0.0	Estimated Hours Year 4
Year 5	0.00%	*	80.0	=	0.0	Estimated Hours Year 5
Total	100%		Total	=	80.0	

**4. Calculate Total Costs including Escalation (Multiply Average Hourly Rate by the number of hours)**

\$4,012.00

	Avg Hourly Rate (calculated above)		Estimated hours (calculated above)		Cost per Year	
Year 1	\$50.00	*	72	=	\$3,600.00	Estimated Hours Year 1
Year 2	\$51.50	*	8	=	\$412.00	Estimated Hours Year 2
Year 3	\$53.05	*	0	=	\$0.00	Estimated Hours Year 3
Year 4	\$54.64	*	0	=	\$0.00	Estimated Hours Year 4
Year 5	\$56.28	*	0	=	\$0.00	Estimated Hours Year 5
Total Direct Labor Cost with Escalation				=	\$4,012.00	
Direct Labor Subtotal before Escalation				=	\$4,000.00	
Estimated total of Direct Labor Salary Increase				=	\$12.00	Transfer to Page 1

**NOTES:**

- This is not the only way to estimate salary increases. Other methods will be accepted if they clearly indicate the % increase, the # of years of the contract, and a breakdown of the labor to be performed each year.
- An estimation that is based on direct labor multiplied by salary increase % multiplied by the # of years is not acceptable. (i.e. \$250,000 x 2% x 5 yrs = \$25,000 is not an acceptable methodology)
- This assumes that one year will be worked at the rate on the cost proposal before salary increases are granted.



## EXHIBIT 10-H1 COST PROPOSAL Page 3 of 3

**Certification of Direct Costs:**

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement.

Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

**Prime Consultant or Subconsultant Certifying:**

Name: Farzad Tasbihgoo Title \*: Principal Engineer  
Signature : \_\_\_\_\_ Date of Certification (mm/dd/yyyy): 10/10/19  
Email: farzad@ztcgrp.com Phone Number: 818-929-8162  
Address: 1041 E. Green St. Suite 204, Pasadena, CA 91106

\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Structural Material Source Inspection and Quality Assurance Services for Construction -  
Welded Hoops, Strands, and bearings pads sampling, testing, and releasing inspections

## ATTACHMENT C

### General Terms and Conditions

#### C-1. INDEMNIFICATION.

CONTRACTOR and COUNTY each agree to indemnify, defend and save harmless the other party and the other party's officers and employees, from and against any and all claims and losses whatsoever arising out of, or in any way related to, the indemnifying party's performance under this contract, including, but not limited to, claims for property damage, personal injury, death, and any legal expenses (such as attorneys' fees, court costs, investigation costs, and experts' fees) incurred by the indemnitee in connection with such claims or losses. A party's "performance" includes the party's action or inaction and the action or inaction of that party's officers and employees.

#### C-2. GENERAL INSURANCE REQUIREMENTS.

Without limiting CONTRACTOR's duty to indemnify COUNTY, CONTRACTOR shall comply with the insurance coverage requirements set forth in the contract and in this attachment. Those insurance policies mandated by Paragraph C-3 shall satisfy the following requirements:

- (a) Each policy shall be issued by a company authorized by law to transact business in the State of California.
- (b) Each policy shall provide that COUNTY shall be given notice in writing at least thirty (30) days in advance of any change, cancellation, or nonrenewal thereof.
- (c) The comprehensive motor vehicle and comprehensive general liability policies shall each provide an endorsement naming the County of San Benito and its officers, agents and employees as additional insureds.
- (d) The required coverage shall be maintained in effect throughout the term of this contract.

CONTRACTOR shall require all subcontractors performing work under this contract to obtain substantially the identical insurance coverage required of CONTRACTOR pursuant to this agreement.

#### C-3. INSURANCE COVERAGE REQUIREMENTS.

If required by paragraph 5 of the contract, CONTRACTOR shall maintain the following insurance policies in full force and effect during the term of this contract:

- (a) Comprehensive general liability insurance. CONTRACTOR shall maintain comprehensive general liability insurance, covering all of CONTRACTOR's operations with a combined single limit of not less than the amount set out in paragraph 5 of this contract.
- (b) Professional liability insurance. CONTRACTOR shall maintain professional liability insurance with liability limits of not less than the amount set out in paragraph 5 of this contract.

- (c) Comprehensive motor vehicle liability insurance. CONTRACTOR shall maintain comprehensive motor vehicle insurance covering all motor vehicles (including owned, non-owned and hired) used in providing services under this contract, with a combined single limit of not less than the amount set out in Paragraph 5 of this contract.
- (d) Workers' compensation insurance. CONTRACTOR shall maintain a workers' compensation plan covering all of its employees as required by California Labor Code Section 3700, either through workers' compensation insurance issued by an insurance company or through a plan of self-insurance certified by the State Director of Industrial Relations. If CONTRACTOR elects to be self-insured, the certificate of insurance otherwise required by this contract shall be replaced with a consent to self-insure issued by the State Director of Industrial Relations.

#### **C-4. CERTIFICATE OF INSURANCE.**

Prior to the commencement of performance of services by CONTRACTOR and prior to any obligations of COUNTY, CONTRACTOR shall file certificates of insurance with COUNTY, showing that CONTRACTOR has in effect the insurance required by this contract. CONTRACTOR shall file a new or amended certificate promptly after any change is made in any insurance policy which would alter the information on the certificate then on file. In lieu of providing proof of insurance, CONTRACTOR may provide proof of self-insurance meeting requirements equivalent to those imposed herein. CONTRACTOR warrants that CONTRACTOR's self-insurance provides substantially the same protection to COUNTY as the insurance required herein. CONTRACTOR further agrees to notify COUNTY in the event any change in self-insurance occurs that would alter the obligations undertaken in this contract within thirty (30) days of such change.

#### **C-5. RECORDS TO BE MAINTAINED.**

CONTRACTOR shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. CONTRACTOR shall contractually require that all of CONTRACTOR's subcontractors performing work called for under this contract also keep and maintain such records. All such records, whether kept by CONTRACTOR or any subcontractor, shall be made available to COUNTY or its authorized representative, or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by COUNTY, its authorized representative, or officials of the State of California.

#### **C-6. RETENTION OF RECORDS.**

CONTRACTOR shall maintain and preserve all records related to this contract for a period of three years from the close of the fiscal year in which final payment under this contract is made. CONTRACTOR shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the three-year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to insure the maintenance of the records beyond the initial three year period shall arise only if the COUNTY notifies CONTRACTOR of the commencement of an audit prior to the expiration of the three year period.

#### **C-7. TITLE TO DOCUMENTS; COPYRIGHT.**

All reports and other materials collected or produced by the CONTRACTOR or any subcontractor of CONTRACTOR shall, after completion and acceptance of the contract, become the property of COUNTY, and shall not be subject to any copyright claimed by the CONTRACTOR, subcontractor, or their agents or employees. CONTRACTOR may retain copies of all such materials exclusively for administrative purposes. Any use of completed or uncompleted documents for other projects by CONTRACTOR, any subcontractor, or any of their agents or employees, without the prior written consent of COUNTY is prohibited.

#### **C-8. INDEPENDENT CONTRACTOR.**

CONTRACTOR and its officers and employees, in the performance of this contract, are independent contractors in relation to COUNTY and not officers or employees of COUNTY. Nothing in this contract shall create any of the rights, powers, privileges or immunities of any officer or employee of COUNTY. CONTRACTOR shall be solely liable for all applicable taxes or benefits, including, but not limited to, federal and state income taxes, Social Security taxes, or ERISA retirement benefits, which taxes or benefits arise out of the performance of this contract. CONTRACTOR further represents to COUNTY that CONTRACTOR has no expectation of receiving any benefits incidental to employment.

#### **C-9. CONFLICT OF INTEREST.**

CONTRACTOR covenants that it presently has no interest and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. CONTRACTOR further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be used or employed. CONTRACTOR certifies that no one who has or will have any financial interest under this contract is an officer or employee of COUNTY.

#### **C-10. COMPLIANCE WITH APPLICABLE LAWS.**

CONTRACTOR shall comply with all applicable federal, state and local laws now, or hereafter, in force, and with any applicable regulations, in performing the work and providing the services specified in this contract. This obligation includes, without limitation, the acquisition, and maintenance of any permits, licenses, or other entitlements necessary to perform the duties imposed expressly or impliedly under this contract.

#### **C-11. NONDISCRIMINATION.**

CONTRACTOR shall not discriminate in the employment of persons necessary to perform this contract on any legally impermissible basis, including on the basis of the race, color, national origin, ancestry, religion, age, sex, or disability of such person.

#### **C-12. BANKRUPTCY.**

CONTRACTOR shall immediately notify COUNTY in the event that CONTRACTOR ceases conducting business in the normal manner, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of, or becomes subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors.

**C-13. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION OF DUTIES.**

Except as specifically authorized herein, no rights under this contract may be assigned and no duties under this contract may be delegated by CONTRACTOR without the prior written consent of COUNTY, and any attempted assignment or delegation without such consent shall be void.

**C-14. NEGOTIATED CONTRACT.**

This contract has been arrived at through negotiation between the parties. Neither party is to be deemed the party which prepared this contract within the meaning of California Civil Code Section 1654.

**C-15. SEVERABILITY.**

Should any provision herein be found or deemed to be invalid, this contract shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect. To this end, the provisions of this contract are declared to be severable.

**C-16. ENTIRE CONTRACT.**

This contract is the entire agreement of the parties. There are no understandings or agreements pertaining to this contract except as are expressly stated in writing in this contract or in any document attached hereto or incorporated herein by reference.

**C-17. TIME IS OF THE ESSENCE.**

Time is of the essence in the performance of this contract.

**C-18. TERMINATION.**

Either party may terminate this contract, with or without cause, at any time. In order to terminate this contract, the terminating party shall give advance written notice to the other party. The termination shall be effective no earlier than the expiration of the number of days specified in paragraph 6 of this contract. The termination notice shall be made as specified in paragraph C-19, below. In the event of termination, COUNTY shall pay CONTRACTOR for all work satisfactorily performed prior to the effective date of the termination.

**C-19. NOTICES.**

Notices to the parties in connection with the administration of this contract shall be given to the parties' contract administrator personally, by regular mail, or by facsimile transmission as more particularly specified in this paragraph. Notices will be deemed given on:

- (a) The day the notice is personally delivered to the contract administrator or the office of the party's contract administrator; or
- (b) Five days after the date the notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, with first-class postage fully prepaid; or
- (c) On the day that the notice is transmitted by facsimile to a party's facsimile number specified in paragraph 8 of this contract, provided that an original of

such notice is deposited in the United States mail, addressed to a party's contract administrator as indicated in this contract, on the same day as the facsimile transmission is made.

#### **C-20. RESPONSIBILITY OF CONTRACT ADMINISTRATORS.**

All matters concerning this contract which are within the responsibility of the parties shall be under the direction of, or shall be submitted to, the respective contract administrators or to the party's employee specified, in writing, by the contract administrator. A party may, in its sole discretion, change its designation of its contract administrator and shall promptly give written notice to the other party of any such change.

#### **C-21. MATERIALITY.**

The parties consider each and every term, covenant, and provision of this contract to be material and reasonable.

#### **C-22. WAIVER.**

Waiver by either party of a breach of any covenant of this contract will not be construed to be a continuing waiver of any subsequent breach. COUNTY's receipt of consideration with knowledge of CONTRACTOR's violation of a covenant does not waive its right to enforce any covenant of this contract. The parties shall not waive any provisions of this contract unless the waiver is in writing and signed by all parties.

#### **C-23. AUTHORITY AND CAPACITY.**

CONTRACTOR and CONTRACTOR's signatory each warrant and represent that each has full authority and capacity to enter into this contract.

#### **C-24. BINDING ON SUCCESSORS.**

All of the conditions, covenants and terms herein contained shall apply to, and bind, the heirs, successors, executors, administrators and assigns of CONTRACTOR. CONTRACTOR and all of CONTRACTOR's heirs, successors, executors, administrators, and assigns shall be jointly and severally liable under this contract.

#### **C-25. CUMULATION OF REMEDIES.**

All of the various rights, options, elections, powers and remedies of the parties shall be construed as cumulative, and no one of them exclusive of any other or of any other legal or equitable remedy which a party might otherwise have in the event of a breach or default of any condition, covenant or term by the other party. The exercise of any single right, option, election, power or remedy shall not, in any way, impair any other right, option, election, power or remedy until all duties and obligations imposed shall have been fully performed.

#### **C-26. INDEPENDENT ADVICE.**

Each party hereby represents and warrants that in executing this contract it does so with full knowledge of the rights and duties it may have with respect to the other. Each party also represents and warrants that it has received independent legal advice from its attorney with

respect to the matters set forth in this contract and the rights and duties arising out of this contract, or that such party willingly foregoes any such consultation.

**C-27. NO RELIANCE ON REPRESENTATIONS.**

Each party hereby represents and warrants that it is not relying, and has not relied, upon any representation or statement made by the other party with respect to the facts involved or its rights or duties. Each party understands and agrees that the facts relevant, or believed to be relevant to this contract may hereunder turn out to be other than, or different from the facts now known to such party as true, or believed by such party to be true. The parties expressly assume the risk of the facts turning out to be different and agree that this contract shall be effective in all respects and shall not be subject to rescission by reason of any such difference in facts.

**C-28. REDUCTION OF CONSIDERATION.**

CONTRACTOR agrees that COUNTY shall have the right to deduct from any payments specified in Attachment B any amount owed to COUNTY by CONTRACTOR as a result of any obligation arising prior to the execution of this contract. For purposes of this paragraph, obligations arising prior to the execution of this contract may include, without limitation, any property tax, secured or unsecured, which tax is in arrears. If COUNTY exercises the right to reduce the consideration specified in Attachment B, COUNTY shall give CONTRACTOR notice of the amount of any offset and the reason for the deduction.

**C-29. COUNTERPARTS.**

This contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original. The counterparts shall together constitute one contract.

**END OF ATTACHMENT C.**

**ATTACHMENT D**  
**Specific Terms and Conditions**

The rights and duties of the parties to this CONTRACT are additionally governed by the following specific, additional terms and conditions:

- D-1. INDEMNIFICATION.** With regard to the design services described in California Civil Code section 2782.8 only, Paragraph C-1 of Attachment C to this contract is hereby modified to read as follows:

To the fullest extent permitted by law, CONTRACTOR shall indemnify, defend and hold harmless the COUNTY and its officers, agents, employees and representatives, from and against any and all claims, actions, losses, injuries, damages or expenses of every name, kind, and description, including litigation costs and reasonable attorney's fees incurred, brought for or on account of, injury to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, which arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONTRACTOR, its officers, agents, employees, volunteers, representatives, contractors and subcontractors. This duty of CONTRACTOR includes the duty of defense, inclusive of that set forth in California Civil Code Section 2778.

The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this contract. CONTRACTOR shall not be liable under this indemnification provision if the COUNTY has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence, recklessness or willful misconduct. The obligations set forth herein shall continue beyond the term of this contract.

The provisions of Paragraph C-1 of Attachment C shall remain in full force and effect and shall apply to CONTRACTOR'S provision of all other services under this contract.

- D-2. CONSULTANT CERTIFICATION OF CONTRACT COSTS AND FINANCIAL MANAGEMENT SYSTEM.** Caltrans' Local Assistance Procedures Manual Exhibit 10-K "Consultant Certification of Contract Costs and Financial Management System" has been completed by the CONTRACTOR and all subcontractors providing services under this contract. Copies of the completed Exhibit 10-K are attached hereto and incorporated herein by reference.

- D-3. FEDERAL PROVISIONS.**

**1. PERFORMANCE PERIOD**

- A. This AGREEMENT shall go into effect on February 19, 2020, contingent upon approval by COUNTY, and CONSULTANT shall commence work after notification to proceed by COUNTY'S Contract Administrator. The AGREEMENT shall end on September 30, 2022, unless extended by AGREEMENT amendment.
- B. CONTRACTOR is advised that any recommendation for AGREEMENT award is not binding on COUNTY until the AGREEMENT is fully executed and approved by COUNTY.



## 2. ALLOWABLE COSTS AND PAYMENTS

- A. The method of payment for this AGREEMENT will be based on actual cost plus a fixed fee. COUNTY will reimburse CONTRACTOR for actual costs (including labor costs, employee benefits, travel, equipment rental costs, overhead and other direct costs) incurred by CONTRACTOR in performance of the work. CONTRACTOR will not be reimbursed for actual costs that exceed the estimated wage rates, employee benefits, travel, equipment rental, overhead, and other estimated costs set forth in the approved CONTRACTOR'S Cost Proposal, unless additional reimbursement is provided for by AGREEMENT amendment. In no event, will CONTRACTOR be reimbursed for overhead costs at a rate that exceeds COUNTY's approved overhead rate set forth in the Cost Proposal. In the event, that COUNTY determines that a change to the work from that specified in the Cost Proposal and AGREEMENT is required, the AGREEMENT time or actual costs reimbursable by COUNTY shall be adjusted by AGREEMENT amendment to accommodate the changed work. The maximum total cost as specified in Paragraph "I" of this Article shall not be exceeded, unless authorized by AGREEMENT amendment.
- B. The indirect cost rate established for this AGREEMENT is extended through the duration of this specific AGREEMENT. CONTRACTOR's agreement to the extension of the 1-year applicable period shall not be a condition or qualification to be considered for the work or AGREEMENT award.
- C. In addition to the allowable incurred costs, COUNTY will pay CONTRACTOR a fixed fee of ~~\$107,081.33~~. The fixed fee is nonadjustable for the term of the AGREEMENT, except in the event of a significant change in the scope of work and such adjustment is made by AGREEMENT amendment.
- D. Reimbursement for transportation and subsistence costs shall not exceed the rates specified in the approved Cost Proposal.
- E. When milestone cost estimates are included in the approved Cost Proposal, CONTRACTOR shall obtain prior written approval for a revised milestone cost estimate from the Contract Administrator before exceeding such cost estimate.
- F. Progress payments will be made monthly in arrears based on services provided and allowable incurred costs. A pro rata portion of CONTRACTOR's fixed fee will be included in the monthly progress payments. If CONTRACTOR fails to submit the required deliverable items according to the schedule set forth in Article III Statement of Work, COUNTY shall have the right to delay payment or terminate this AGREEMENT.
- G. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.
- H. CONTRACTOR will be reimbursed promptly according to California Regulations upon receipt by COUNTY's Contract Administrator of itemized invoices in duplicate. Invoices shall be submitted no later than thirty (30) calendar days after

the performance of work for which CONTRACTOR is billing. Invoices shall detail the work performed on each milestone and each project as applicable. Invoices shall follow the format stipulated for the approved Cost Proposal and shall reference this AGREEMENT number and project title. Final invoice must contain the final cost and all credits due COUNTY including any equipment purchased under the provisions of Article XI Equipment Purchase. The final invoice should be submitted within sixty (60) calendar days after completion of CONTRACTOR's work. Invoices shall be mailed to COUNTY's Contract Administrator at the following address:

*HARRY MAVROGENES, RMA DIRECTOR  
COUNTY OF SAN BENITO, RESOURCE MANAGEMENT AGENCY  
2301 TECHNOLOGY PARKWAY, HOLLISTER, CA 95023*

- I. The total amount payable by COUNTY including the fixed fee shall not exceed \$1,498,880.02.
- J. Salary increases will be reimbursable if the new salary is within the salary range identified in the approved Cost Proposal and is approved by COUNTY's Contract Administrator.
- K. For personnel subject to prevailing wage rates as described in the California Labor Code, all salary increases, which are the direct result of changes in the prevailing wage rates are reimbursable.

### 3. TERMINATION

- A. This AGREEMENT may be terminated by COUNTY, provided that COUNTY gives not less than thirty (30) calendar days' written notice (delivered by certified mail, return receipt requested) of intent to terminate. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and in accordance with Section 15, Property of COUNTY.
- B. COUNTY may temporarily suspend this AGREEMENT, at no additional cost to COUNTY, provided that CONTRACTOR is given written notice (delivered by certified mail, return receipt requested) of temporary suspension. If COUNTY gives such notice of temporary suspension, CONTRACTOR shall immediately suspend its activities under this AGREEMENT. A temporary suspension may be issued concurrent with the notice of termination provided for in subsection A of this section.
- C. Notwithstanding any provisions of this AGREEMENT, CONTRACTOR shall not be relieved of liability to COUNTY for damages sustained by City by virtue of any breach of this AGREEMENT by CONTRACTOR, and City may withhold any payments due to CONTRACTOR until such time as the exact amount of damages, if any, due City from CONTRACTOR is determined.
- D. In the event of termination, CONTRACTOR shall be compensated as provided for in this AGREEMENT, except as provided in Section **Error! Reference source not**

found.0. Upon termination, COUNTY shall be entitled to all work, including but not limited to, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and in accordance with Section 15, Property of COUNTY.

#### **4. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS**

- A. The CONTRACTOR agrees that 48 CFR Part 31, Contract Cost Principles and Procedures, shall be used to determine the allowability of individual terms of cost.
- B. The CONTRACTOR also agrees to comply with Federal procedures in accordance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- C. Any costs for which payment has been made to the CONTRACTOR that are determined by subsequent audit to be unallowable under 48 CFR Part 31 or 2 CFR Part 200 are subject to repayment by the CONTRACTOR to COUNTY.
- D. When a CONTRACTOR or SubCONTRACTOR is a Non-Profit Organization or an Institution of Higher Education, the Cost Principles for Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards shall apply.

#### **5. RETENTION OF RECORD/AUDITS**

For the purpose of determining compliance with Gov. Code § 8546.7, the CONTRACTOR, SubCONTRACTORS, and COUNTY shall maintain all books, documents, papers, accounting records, Independent CPA Audited Indirect Cost Rate workpapers, and other evidence pertaining to the performance of the AGREEMENT including, but not limited to, the costs of administering the AGREEMENT. All parties, including the CONTRACTOR's Independent CPA, shall make such workpapers and materials available at their respective offices at all reasonable times during the AGREEMENT period and for three (3) years from the date of final payment under the AGREEMENT. COUNTY, Caltrans Auditor, FHWA, or any duly authorized representative of the Federal government having jurisdiction under Federal laws or regulations (including the basis of Federal funding in whole or in part) shall have access to any books, records, and documents of the CONSULTANT, SubCONTRACTORS, and the CONTRACTOR's Independent CPA, that are pertinent to the AGREEMENT for audits, examinations, workpaper review, excerpts, and transactions, and copies thereof shall be furnished if requested without limitation.

#### **6. AUDIT REVIEW PROCEDURES**

- A. Any dispute concerning a question of fact arising under an interim or post audit of this AGREEMENT that is not disposed of by AGREEMENT, shall be reviewed by COUNTY'S Chief Financial Officer.

- B. Not later than thirty (30) calendar days after issuance of the final audit report, CONTRACTOR may request a review by COUNTY'S Chief Financial Officer of unresolved audit issues. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute nor its consideration by COUNTY will excuse CONTRACTOR from full and timely performance, in accordance with the terms of this AGREEMENT.
- D. CONTRACTOR and subCONTRACTOR AGREEMENTs, including cost proposals and Indirect Cost Rates (ICR), may be subject to audits or reviews such as, but not limited to, an AGREEMENT audit, an incurred cost audit, an ICR Audit, or a CPA ICR audit work paper review. If selected for audit or review, the AGREEMENT, cost proposal and ICR and related work papers, if applicable, will be reviewed to verify compliance with 48 CFR Part 31 and other related laws and regulations. In the instances of a CPA ICR audit work paper review it is CONTRACTOR's responsibility to ensure federal, COUNTY, or local government officials are allowed full access to the CPA's work papers including making copies as necessary. The AGREEMENT, cost proposal, and ICR shall be adjusted by CONTRACTOR and approved by COUNTY Contract Administrator to conform to the audit or review recommendations, CONTRACTOR agrees that individual terms of costs identified in the audit report shall be incorporated into the AGREEMENT by this reference if directed by COUNTY at its sole discretion. Refusal by CONTRACTOR to incorporate audit or review recommendations, or to ensure that the federal, COUNTY or local governments have access to CPA work papers, will be considered a breach of AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.
- E. CONTRACTOR's Cost Proposal may be subject to a CPA ICR Audit Work Paper Review and/or audit by Caltrans Audits and Investigation (A&I). Caltrans A&I, at its sole discretion, may review and/or audit and approve the CPA ICR documentation. The Cost Proposal shall be adjusted by the CONTRACTOR and approved by the COUNTY Contract Administrator to conform to the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report. Refusal by the CONTRACTOR to incorporate the Work Paper Review recommendations included in the management letter or audit recommendations included in the audit report will be considered a breach of the AGREEMENT terms and cause for termination of the AGREEMENT and disallowance of prior reimbursed costs.
  - 1. During Caltrans A&I's review of the ICR audit work papers created by the CONTRACTOR's independent CPA, Caltrans A&I will work with the CPA and/or CONTRACTOR toward a resolution of issues that arise during the review. Each party agrees to use its best efforts to resolve any audit disputes in a timely manner. If Caltrans A&I identifies significant issues during the review and is unable to issue a cognizant approval letter, COUNTY will reimburse the CONTRACTOR at an accepted ICR until a FAR (Federal Acquisition Regulation) compliant ICR {e.g. 48 CFR Part 31; GAGAS (Generally Accepted Auditing Standards); CAS (Cost Accounting Standards), if applicable; in accordance with

procedures and guidelines of the American Association of State Highways and Transportation Officials (AASHTO) Audit Guide; and other applicable procedures and guidelines) is received and approved by A&I.

Accepted rates will be as follows:

- a. If the proposed rate is less than one hundred fifty percent (150%) - the accepted rate reimbursed will be ninety percent (90%) of the proposed rate.
  - b. If the proposed rate is between one hundred fifty percent (150%) and two hundred percent (200%) - the accepted rate will be eighty-five percent (85%) of the proposed rate.
  - c. If the proposed rate is greater than two hundred percent (200%) - the accepted rate will be seventy-five percent (75%) of the proposed rate.
2. If Caltrans A&I is unable to issue a cognizant letter per paragraph E.1. above, Caltrans A&I may require CONTRACTOR to submit a revised independent CPA-audited ICR and audit report within three (3) months of the effective date of the management letter. Caltrans A&I will then have up to six (6) months to review the CONTRACTOR's and/or the independent CPA's revisions.
  3. If the CONTRACTOR fails to comply with the provisions of this paragraph E, or if Caltrans A&I is still unable to issue a cognizant approval letter after the revised independent CPA audited ICR is submitted, overhead cost reimbursement will be limited to the accepted ICR that was established upon initial rejection of the ICR and set forth in paragraph E.1. above for all rendered services. In this event, this accepted ICR will become the actual and final ICR for reimbursement purposes under this AGREEMENT.
  4. CONTRACTOR may submit to COUNTY final invoice only when all of the following items have occurred: (1) Caltrans A&I accepts or adjusts the original or revised independent CPA audited ICR; (2) all work under this AGREEMENT has been completed to the satisfaction of COUNTY; and, (3) Caltrans A&I has issued its final ICR review letter. The CONTRACTOR MUST SUBMIT ITS FINAL INVOICE TO COUNTY no later than sixty (60) calendar days after occurrence of the last of these items. The accepted ICR will apply to this AGREEMENT and all other agreements executed between COUNTY and the CONTRACTOR, either as a prime or subCONTRACTOR, with the same fiscal period ICR.

## **7. SUBCONTRACTING**

- A. Nothing contained in this AGREEMENT or otherwise, shall create any contractual relation between the COUNTY and any SubCONTRACTORS, and no subagreement shall relieve the CONTRACTOR of its responsibilities and obligations hereunder. The CONTRACTOR agrees to be as fully responsible to the COUNTY for the acts and omissions of its SubCONTRACTORS and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly

employed by the CONTRACTOR. The CONTRACTOR's obligation to pay its SubCONTRACTORS is an independent obligation from the COUNTY's obligation to make payments to the CONTRACTOR.

- B. The CONTRACTOR shall perform the work contemplated with resources available within its own organization and no portion of the work shall be subcontracted without written authorization by the COUNTY Contract Administrator, except that which is expressly identified in the CONTRACTOR's approved Cost Proposal.
- C. Any subagreement entered into as a result of this AGREEMENT, shall contain all the provisions stipulated in this entire AGREEMENT to be applicable to SubCONTRACTORS unless otherwise noted.
- D. CONTRACTOR shall pay its SubCONTRACTORS within Fifteen (15) calendar days from receipt of each payment made to the CONTRACTOR by the COUNTY.
- E. Any substitution of SubCONTRACTORS must be approved in writing by the COUNTY Contract Administrator in advance of assigning work to a substitute SubCONTRACTOR.

#### **8. EQUIPMENT PURCHASE AND OTHER CAPITAL EXPENDITURES**

- A. Prior authorization in writing by COUNTY's Contract Administrator shall be required before CONTRACTOR enters into any unbudgeted purchase order, or subcontract exceeding five thousand dollars (\$5,000) for supplies, equipment, or CONTRACTOR services. CONTRACTOR shall provide an evaluation of the necessity or desirability of incurring such costs.
- B. For purchase of any item, service, or consulting work not covered in CONTRACTOR's approved Cost Proposal and exceeding five thousand dollars (\$5,000), with prior authorization by COUNTY's Contract Administrator, three competitive quotations must be submitted with the request, or the absence of bidding must be adequately justified.
- C. Any equipment purchased with funds provided under the terms of this AGREEMENT is subject to the following:
  - 1. CONTRACTOR shall maintain an inventory of all nonexpendable property. Nonexpendable property is defined as having a useful life of at least two years and an acquisition cost of five thousand dollars (\$5,000) or more. If the purchased equipment needs replacement and is sold or traded in, COUNTY shall receive a proper refund or credit at the conclusion of the AGREEMENT, or if the AGREEMENT is terminated, CONTRACTOR may either keep the equipment and credit COUNTY in an amount equal to its fair market value, or sell such equipment at the best price obtainable at a public or private sale, in accordance with established COUNTY procedures; and credit COUNTY in an amount equal to the sales price. If CONTRACTOR elects to keep the equipment, fair market value shall be determined at CONTRACTOR's expense, on the basis of a competent independent appraisal of such equipment. Appraisals shall be

obtained from an appraiser mutually agreeable to by COUNTY and CONTRACTOR, if it is determined to sell the equipment, the terms and conditions of such sale must be approved in advance by COUNTY.

2. Regulation 2 CFR Part 200 requires a credit to Federal funds when participating equipment with a fair market value greater than five thousand dollars (\$5,000) is credited to the project.

## 9. STATE PREVAILING WAGE RATES

- A. No CONTRACTOR or SubCONTRACTOR may be awarded an AGREEMENT containing public work elements unless registered with the Department of Industrial Relations (DIR) pursuant to Labor Code §1725.5. Registration with DIR must be maintained throughout the entire term of this AGREEMENT, including any subsequent amendments.
- B. The CONTRACTOR shall comply with all of the applicable provisions of the California Labor Code requiring the payment of prevailing wages. The General Prevailing Wage Rate Determinations applicable to work under this AGREEMENT are available and on file with the Department of Transportation's Regional/District Labor Compliance Officer ([http://www.dot.ca.gov/hq/construc/LaborCompliance/documents/District-Region\\_Map\\_Construction\\_7-8-15.pdf](http://www.dot.ca.gov/hq/construc/LaborCompliance/documents/District-Region_Map_Construction_7-8-15.pdf)). These wage rates are made a specific part of this AGREEMENT by reference pursuant to Labor Code §1773.2 and will be applicable to work performed at a construction project site. Prevailing wages will be applicable to all inspection work performed at COUNTY construction sites, at COUNTY facilities and at off-site locations that are set up by the construction contractor or one of its subcontractors solely and specifically to serve COUNTY projects. Prevailing wage requirements do not apply to inspection work performed at the facilities of vendors and commercial materials suppliers that provide goods and services to the general public.
- C. General Prevailing Wage Rate Determinations applicable to this project may also be obtained from the Department of Industrial Relations Internet site at <http://www.dir.ca.gov>.
- D. Payroll Records
  1. Each CONTRACTOR and SubCONTRACTOR shall keep accurate certified payroll records and supporting documents as mandated by Labor Code §1776 and as defined in 8 CCR §16000 showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the CONTRACTOR or SubCONTRACTOR in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:
    - a. The information contained in the payroll record is true and correct.

- b. The employer has complied with the requirements of Labor Code §1771, §1811, and §1815 for any work performed by his or her employees on the public works project.
2. The payroll records enumerated under paragraph (1) above shall be certified as correct by the CONTRACTOR under penalty of perjury. The payroll records and all supporting documents shall be made available for inspection and copying by COUNTY representative's at all reasonable hours at the principal office of the CONTRACTOR. The CONTRACTOR shall provide copies of certified payrolls or permit inspection of its records as follows:
  - a. A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.
  - b. A certified copy of all payroll records enumerated in paragraph (1) above, shall be made available for inspection or furnished upon request to a representative of COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards of the Department of Industrial Relations. Certified payrolls submitted to COUNTY, the Division of Labor Standards Enforcement and the Division of Apprenticeship Standards shall not be altered or obliterated by the CONTRACTOR.
  - c. The public shall not be given access to certified payroll records by the CONTRACTOR. The CONTRACTOR is required to forward any requests for certified payrolls to the COUNTY Contract Administrator by both email and regular mail on the business day following receipt of the request.
3. Each CONTRACTOR shall submit a certified copy of the records enumerated in paragraph (1) above, to the entity that requested the records within ten (10) calendar days after receipt of a written request.
4. Any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by COUNTY shall be marked or obliterated in such a manner as to prevent disclosure of each individual's name, address, and social security number. The name and address of the CONTRACTOR or SubCONTRACTOR performing the work shall not be marked or obliterated.
5. The CONTRACTOR shall inform COUNTY of the location of the records enumerated under paragraph (1) above, including the street address, city and county, and shall, within five (5) working days, provide a notice of a change of location and address.
6. The CONTRACTOR or SubCONTRACTOR shall have ten (10) calendar days in which to comply subsequent to receipt of written notice requesting the records enumerated in paragraph (1) above. In the event the CONTRACTOR or SubCONTRACTOR fails to comply within the ten (10) day period, he or she



shall, as a penalty to COUNTY, forfeit one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Such penalties shall be withheld by COUNTY from payments then due. CONTRACTOR is not subject to a penalty assessment pursuant to this section due to the failure of a SubCONTRACTOR to comply with this section.

E. When prevailing wage rates apply, the CONTRACTOR is responsible for verifying compliance with certified payroll requirements. Invoice payment will not be made until the invoice is approved by the COUNTY Contract Administrator.

F. Penalty

1. The CONTRACTOR and any of its SubCONTRACTORS shall comply with Labor Code §1774 and §1775. Pursuant to Labor Code §1775, the CONTRACTOR and any SubCONTRACTOR shall forfeit to the COUNTY a penalty of not more than two hundred dollars (\$200) for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of DIR for the work or craft in which the worker is employed for any public work done under the AGREEMENT by the CONTRACTOR or by its SubCONTRACTOR in violation of the requirements of the Labor Code and in particular, Labor Code §§1770 to 1780, inclusive.
2. The amount of this forfeiture shall be determined by the Labor Commissioner and shall be based on consideration of mistake, inadvertence, or neglect of the CONTRACTOR or SubCONTRACTOR in failing to pay the correct rate of prevailing wages, or the previous record of the CONTRACTOR or SubCONTRACTOR in meeting their respective prevailing wage obligations, or the willful failure by the CONTRACTOR or SubCONTRACTOR to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rates of prevailing wages is not excusable if the CONTRACTOR or SubCONTRACTOR had knowledge of the obligations under the Labor Code. The CONTRACTOR is responsible for paying the appropriate rate, including any escalations that take place during the term of the AGREEMENT.
3. In addition to the penalty and pursuant to Labor Code §1775, the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the CONTRACTOR or SubCONTRACTOR.
4. If a worker employed by a SubCONTRACTOR on a public works project is not paid the general prevailing per diem wages by the SubCONTRACTOR, the prime CONTRACTOR of the project is not liable for the penalties described above unless the prime CONTRACTOR had knowledge of that failure of the SubCONTRACTOR to pay the specified prevailing rate of wages to those workers or unless the prime CONTRACTOR fails to comply with all of the following requirements:

- a. The AGREEMENT executed between the CONTRACTOR and the SubCONTRACTOR for the performance of work on public works projects shall include a copy of the requirements in Labor Code §§ 1771, 1775, 1776, 1777.5, 1813, and 1815.
  - b. The CONTRACTOR shall monitor the payment of the specified general prevailing rate of per diem wages by the SubCONTRACTOR to the employees by periodic review of the certified payroll records of the SubCONTRACTOR.
  - c. Upon becoming aware of the SubCONTRACTOR's failure to pay the specified prevailing rate of wages to the SubCONTRACTOR's workers, the CONTRACTOR shall diligently take corrective action to halt or rectify the failure, including but not limited to, retaining sufficient funds due the SubCONTRACTOR for work performed on the public works project.
  - d. Prior to making final payment to the SubCONTRACTOR for work performed on the public works project, the CONTRACTOR shall obtain an affidavit signed under penalty of perjury from the SubCONTRACTOR that the SubCONTRACTOR had paid the specified general prevailing rate of per diem wages to the SubCONTRACTOR's employees on the public works project and any amounts due pursuant to Labor Code §1813.
5. Pursuant to Labor Code §1775, COUNTY shall notify the CONTRACTOR on a public works project within fifteen (15) calendar days of receipt of a complaint that a SubCONTRACTOR has failed to pay workers the general prevailing rate of per diem wages.
  6. If COUNTY determines that employees of a SubCONTRACTOR were not paid the general prevailing rate of per diem wages and if COUNTY did not retain sufficient money under the AGREEMENT to pay those employees the balance of wages owed under the general prevailing rate of per diem wages, the CONTRACTOR shall withhold an amount of moneys due the SubCONTRACTOR sufficient to pay those employees the general prevailing rate of per diem wages if requested by COUNTY.
- G. Hours of Labor
- Eight (8) hours labor constitutes a legal day's work. The CONTRACTOR shall forfeit, as a penalty to the COUNTY, twenty-five dollars (\$25) for each worker employed in the execution of the AGREEMENT by the CONTRACTOR or any of its SubCONTRACTORS for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of the Labor Code, and in particular §§1810 to 1815 thereof, inclusive, except that work performed by employees in excess of eight (8) hours per day, and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day and forty (40) hours in any week, at not less than one and one-half (1.5) times the basic rate of pay, as provided in §1815.

H. Employment of Apprentices

1. Where either the prime AGREEMENT or the subagreement exceeds thirty thousand dollars (\$30,000), the CONTRACTOR and any subCONTRACTORs under him or her shall comply with all applicable requirements of Labor Code §§ 1777.5, 1777.6 and 1777.7 in the employment of apprentices.
2. CONTRACTORs and subCONTRACTORs are required to comply with all Labor Code requirements regarding the employment of apprentices, including mandatory ratios of journey level to apprentice workers. Prior to commencement of work, CONTRACTOR and subCONTRACTORs are advised to contact the DIR Division of Apprenticeship Standards website at <https://www.dir.ca.gov/das/>, for additional information regarding the employment of apprentices and for the specific journey-to- apprentice ratios for the AGREEMENT work. The CONTRACTOR is responsible for all subCONTRACTORs' compliance with these requirements. Penalties are specified in Labor Code §1777.7.

10. CONFLICT OF INTEREST

- A. During the term of this AGREEMENT, the CONTRACTOR shall disclose any financial, business, or other relationship with COUNTY that may have an impact upon the outcome of this AGREEMENT or any ensuing COUNTY construction project. The CONTRACTOR shall also list current clients who may have a financial interest in the outcome of this AGREEMENT or any ensuing COUNTY construction project which will follow.
- B. CONTRACTOR certifies that it has disclosed to COUNTY any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONTRACTOR agrees to advise COUNTY of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT. CONTRACTOR further agrees to complete any statements of economic interest if required by either COUNTY ordinance or State law.
- C. The CONTRACTOR hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.
- D. The CONTRACTOR hereby certifies that the CONTRACTOR or subCONTRACTOR and any firm affiliated with the CONTRACTOR or subCONTRACTOR that bids on any construction contract or on any Agreement to provide construction inspection for any construction project resulting from this AGREEMENT, has established necessary controls to ensure a conflict of interest does not exist. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise.

#### **11. REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION**

The CONTRACTOR warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any COUNTY employee. For breach or violation of this warranty, COUNTY shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the value of the work actually performed, or to deduct from this AGREEMENT price or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

#### **12. PROHIBITION OF EXPENDING COUNTY, STATE, OR FEDERAL FUNDS FOR LOBBYING**

A. The CONTRACTOR certifies, to the best of his or her knowledge and belief, that:

1. No State, Federal, or COUNTY appropriated funds have been paid or will be paid, by or on behalf of the CONTRACTOR, to any person for influencing or attempting to influence an officer or employee of any local, State, or Federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding or making of this AGREEMENT, or with the extension, continuation, renewal, amendment, or modification of this AGREEMENT.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this AGREEMENT, the CONTRACTOR shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

C. The CONTRACTOR also agrees by signing this document that he or she shall require that the language of this certification be included in all lower tier subagreements, which exceed one hundred thousand dollars (\$100,000), and that all such subrecipients shall certify and disclose accordingly.

#### **13. NON-DISCRIMINATION CLAUSE AND STATEMENT OF COMPLIANCE**

A. The CONTRACTOR's signature affixed herein and dated shall constitute a certification under penalty of perjury under the laws of the State of California that

the CONTRACTOR has, unless exempt, complied with the nondiscrimination program requirements of Gov. Code §12990 and 2 CCR § 8103.

- B. During the performance of this AGREEMENT, CONTRACTOR and its subCONTRACTORs shall not deny the AGREEMENT's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. CONTRACTOR and subCONTRACTORs shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- C. CONTRACTOR and subCONTRACTORs shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.), the applicable regulations promulgated there under (2 CCR §11000 et seq.), the provisions of Gov. Code §§11135-11139.5, and the regulations or standards adopted by COUNTY to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Gov. Code §12990 (a-f), set forth 2 CCR §§8100-8504, are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.
- D. CONTRACTOR shall permit access by representatives of the Department of Fair Employment and Housing and the COUNTY upon reasonable notice at any time during the normal business hours, but in no case less than twenty-four (24) hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or COUNTY shall require to ascertain compliance with this clause.
- E. CONTRACTOR and its subCONTRACTORs shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- F. CONTRACTOR shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this AGREEMENT.
- G. The CONTRACTOR, with regard to the work performed under this AGREEMENT, shall act in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.). Title VI provides that the recipients of federal assistance will implement and maintain a policy of nondiscrimination in which no person in the United States shall, on the basis of race, color, national origin, religion, sex, age, disability, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity by the recipients of federal assistance or their assignees and successors in interest.

- H. The CONTRACTOR shall comply with regulations relative to non-discrimination in federally-assisted programs of the U.S. Department of Transportation (49 CFR Part 21 - Effectuation of Title VI of the Civil Rights Act of 1964). Specifically, the CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by 49 CFR §21.5, including employment practices and the selection and retention of SubCONTRACTORS.

#### 14. DEBARMENT AND SUSPENSION CERTIFICATION

- A. The CONTRACTOR's signature affixed herein shall constitute a certification under penalty of perjury under the laws of the State of California, that the CONTRACTOR or any person associated therewith in the capacity of owner, partner, director, officer or manager:
1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
  2. Has not been suspended, debarred, voluntarily excluded, or determined ineligible by any federal agency within the past three (3) years;
  3. Does not have a proposed debarment pending; and
  4. Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- B. Any exceptions to this certification must be disclosed to COUNTY. Exceptions will not necessarily result in denial of recommendation for award, but will be considered in determining responsibility. Disclosures must indicate the party to whom the exceptions apply, the initiating agency, and the dates of agency action.
- C. Exceptions to the Federal Government Excluded Parties List System maintained by the U.S. General Services Administration are to be determined by FHWA.

#### 15. DISADVANTAGED BUSINESS ENTERPRISES (DBE) PARTICIPATION

- A. This AGREEMENT is subject to 49 CFR Part 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs". CONTRACTORS who enter into a federally-funded agreement will assist the COUNTY in a good faith effort to achieve California's statewide overall DBE goal.
- B. The goal for DBE participation for this AGREEMENT is XXXXXX%. Participation by DBE CONTRACTOR or subcontractors shall be in accordance with information contained in Exhibit 10-01: CONTRACTOR Proposal DBE Commitment, or in Exhibit 10-02: CONTRACTOR Contract DBE Commitment attached hereto and incorporated as part of the AGREEMENT. If a DBE subcontractor is unable to perform,

CONTRACTOR must make a good faith effort to replace him/her with another DBE subcontractor, if the goal is not otherwise met.

- C. CONTRACTOR can meet the DBE participation goal by either documenting commitments to DBEs to meet the AGREEMENT goal, or by documenting adequate good faith efforts to meet the AGREEMENT goal. An adequate good faith effort means that the CONTRACTOR must show that it took all necessary and reasonable steps to achieve a DBE goal that, by their scope, intensity, and appropriateness to the objective, could reasonably be expected to meet the DBE goal. If CONTRACTOR has not met the DBE goal, complete and submit Exhibit 15-H: *DBE Information - Good Faith Efforts* to document efforts to meet the goal. Refer to 49 CFR Part 26 for guidance regarding evaluation of good faith efforts to meet the DBE goal.
- D. DBEs and other small businesses, as defined in 49 CFR Part 26 are encouraged to participate in the performance of AGREEMENTs financed in whole or in part with federal funds. The COUNTY, CONTRACTOR or SUBCONTRACTOR shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the CONSULTANT to carry out these requirements is a material breach of this AGREEMENT, which may result in the termination of this AGREEMENT or such other remedy as the COUNTY deems appropriate, which may include, but is not limited to:
  - (1) Withholding monthly progress payments;
  - (2) Assessing sanctions;
  - (3) Liquidated damages; and/or
  - (4) Disqualifying the contractor from future bidding as non-responsible
- E. A DBE firm may be terminated only with prior written approval from COUNTY and only for the reasons specified in 49 CFR §26.53(f). Prior to requesting COUNTY consent for the termination, CONTRACTOR must meet the procedural requirements specified in 49 CFR §26.53(f). If a DBE subcontractor is unable to perform, CONTRACTOR must make a good faith effort to replace him/her with another DBE subcontractor, if the goal is not otherwise met.
- F. CONTRACTOR shall not be entitled to any payment for such work or material unless it is performed or supplied by the listed DBE or by other forces (including those of CONTRACTOR) pursuant to prior written authorization of the COUNTY's Contract Administrator.
- G. A DBE is only eligible to be counted toward the AGREEMENT goal if it performs a commercially useful function (CUF) on the AGREEMENT. CUF must be evaluated on an agreement by agreement basis. A DBE performs a Commercially Useful Function (CUF) when it is responsible for execution of the work of the AGREEMENT and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a CUF, the DBE must also be responsible, with respect to materials and supplies used on the AGREEMENT, for negotiating price, determining quality and quantity, ordering the material and

installing (where applicable), and paying for the material itself. To determine whether a DBE is performing a CUF, evaluate the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the AGREEMENT is commensurate with the work it is actually performing, and other relevant factors.

- H. A DBE does not perform a CUF if its role is limited to that of an extra participant in a transaction, AGREEMENT, or project through which funds are passed in order to obtain the appearance of DBE participation. In determining whether a DBE is such an extra participant, examine similar transactions, particularly those in which DBEs do not participate.
- I. If a DBE does not perform or exercise responsibility for at least thirty percent (30%) of the total cost of its AGREEMENT with its own work force, or the DBE subcontracts a greater portion of the work of the AGREEMENT than would be expected on the basis of normal industry practice for the type of work involved, it will be presumed that it is not performing a CUF.
- J. CONTRACTOR shall maintain records of materials purchased or supplied from all subcontracts entered into with certified DBEs. The records shall show the name and business address of each DBE or vendor and the total dollar amount actually paid each DBE or vendor, regardless of tier. The records shall show the date of payment and the total dollar figure paid to all firms. DBE prime CONTRACTOR's shall also show the date of work performed by their own forces along with the corresponding dollar value of the work.
- K. Upon completion of the AGREEMENT, a summary of these records shall be prepared and submitted on the form entitled, Exhibit 17-F: Final Report-Utilization of Disadvantaged Business Enterprise (DBE) First-Tier Subconsultants, certified correct by CONTRACTOR or CONTRACTOR's authorized representative and shall be furnished to the Contract Administrator with the final invoice. Failure to provide the summary of DBE payments with the final invoice will result in twenty-five percent (25%) of the dollar value of the invoice being withheld from payment until the form is submitted. The amount will be returned to CONTRACTOR when a satisfactory "Final Report-Utilization of Disadvantaged Business Enterprises (DBE), First-Tier Subconsultants" is submitted to the Contract Administrator.
- L. If a DBE subcontractor is decertified during the life of the AGREEMENT, the decertified subcontractor shall notify CONTRACTOR in writing with the date of decertification. If a subcontractor becomes a certified DBE during the life of the AGREEMENT, the subcontractor shall notify CONTRACTOR in writing with the date of certification. Any changes should be reported to COUNTY's Contract Administrator within thirty (30) calendar days.
- M. Any subcontract entered into as a result of this AGREEMENT shall contain all of the provisions of this section.



## 16. INSURANCE

- A. Prior to commencement of the work described herein, CONTRACTOR shall furnish COUNTY a Certificate of Insurance stating that there is general comprehensive liability insurance presently in effect for CONTRACTOR with a combined single limit (CSL) of not less than one million dollars (\$1,000,000) per occurrence.
- B. The Certificate of Insurance will provide:
  - 1. That the insurer will not cancel the insured's coverage without thirty (30) calendar days prior written notice to COUNTY.
  - 2. That COUNTY, its officers, agents, employees, and servants are included as additional insureds, but only insofar as the operations under this AGREEMENT are concerned.
  - 3. That COUNTY will not be responsible for any premiums or assessments on the policy.
- C. CONTRACTOR agrees that the bodily injury liability insurance herein provided for, shall be in effect at all times during the term of this AGREEMENT. In the event said insurance coverage expires at any time or times during the term of this AGREEMENT, CONTRACTOR agrees to provide at least thirty (30) calendar days prior notice to said expiration date; and a new Certificate of Insurance evidencing insurance coverage as provided for herein, for not less than either the remainder of the term of the AGREEMENT, or for a period of not less than one (1) year. New Certificates of Insurance are subject to the approval of COUNTY. In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein provided, COUNTY may, in addition to any other remedies it may have, terminate this AGREEMENT upon occurrence of such event.

CONTRACTOR is not required to show evidence of general comprehensive liability insurance.

## 17. FUNDING REQUIREMENTS

- A. It is mutually understood between the parties that this AGREEMENT may have been written before ascertaining the availability of funds or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if the AGREEMENT were executed after that determination was made.
- B. This AGREEMENT is valid and enforceable only, if sufficient funds are made available to COUNTY for the purpose of this AGREEMENT. In addition, this AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress, State Legislature, or COUNTY governing board that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

- C. It is mutually agreed that if sufficient funds are not appropriated, this AGREEMENT may be amended to reflect any reduction in funds.
- D. COUNTY has the option to terminate the AGREEMENT pursuant to Article VI Termination, or by mutual agreement to amend the AGREEMENT to reflect any reduction of funds.

#### **18. CHANGE IN TERMS**

- A. This AGREEMENT may be amended or modified only by mutual written agreement of the parties.
- B. CONTRACTOR shall only commence work covered by an amendment after the amendment is executed and notification to proceed has been provided by COUNTY's Contract Administrator.
- C. There shall be no change in CONTRACTOR's Project Manager or members of the project team, as listed in the approved Cost Proposal, which is a part of this AGREEMENT without prior written approval by COUNTY's Contract Administrator.

#### **19. CONTINGENT FEE**

CONTRACTOR warrants, by execution of this AGREEMENT that no person or selling agency has been employed, or retained, to solicit or secure this AGREEMENT upon an agreement or understanding, for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees, or bona fide established commercial or selling agencies maintained by CONTRACTOR for the purpose of securing business. For breach or violation of this warranty, COUNTY has the right to annul this AGREEMENT without liability; pay only for the value of the work actually performed, or in its discretion to deduct from the AGREEMENT price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

#### **20. DISPUTES**

Prior to either party commencing any legal action under this AGREEMENT, the parties agree to try in good faith, to settle any dispute amicably between them. If a dispute has not been settled after forty-five (45) days of good-faith negotiations and as may be otherwise provided herein, then either party may commence legal action against the other.

- A. Any dispute, other than audit, concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by a committee consisting of COUNTY's Contract Administrator and assigned senior project staff who may consider written or verbal information submitted by CONTRACTOR.

- B. Not later than thirty (30) calendar days after completion of all work under the AGREEMENT, CONTRACTOR may request review by COUNTY Governing Board of unresolved claims or disputes, other than audit. The request for review will be submitted in writing.
- C. Neither the pendency of a dispute, nor its consideration by the committee will excuse CONTRACTOR from full and timely performance in accordance with the terms of this AGREEMENT.

## **21. INSPECTION OF WORK**

CONTRACTOR and any subcontractor shall permit COUNTY, the State, and the FHWA if federal participating funds are used in this AGREEMENT; to review and inspect the project activities and files at all reasonable times during the performance period of this AGREEMENT.

## **22. SAFETY**

- A. CONTRACTOR shall comply with OSHA regulations applicable to CONTRACTOR regarding necessary safety equipment or procedures. CONTRACTOR shall comply with safety instructions issued by COUNTY Safety Officer and other COUNTY representatives. CONTRACTOR personnel shall wear hard hats and safety vests at all times while working on the construction project site.
- B. Pursuant to the authority contained in Vehicle Code §591, COUNTY has determined that such areas are within the limits of the project and are open to public traffic. CONTRACTOR shall comply with all of the requirements set forth in Divisions 11, 12, 13, 14, and 15 of the Vehicle Code. CONTRACTOR shall take all reasonably necessary precautions for safe operation of its vehicles and the protection of the traveling public from injury and damage from such vehicles.
- D. CONTRACTOR must have a Division of Occupational Safety and Health (CAL-OSHA) permit(s), as outlined in Labor Code §6500 and §6705, prior to the initiation of any practices, work, method, operation, or process related to the construction or excavation of trenches which are five (5) feet or deeper.

## **23. OWNERSHIP OF DATA**

- A. It is mutually agreed that all materials prepared by CONTRACTOR under this AGREEMENT shall become the property of City, and CONTRACTOR shall have no property right therein whatsoever. Immediately upon termination, City shall be entitled to, and CONTRACTOR shall deliver to City, reports, investigations, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date, whether completed or not, and other such materials as may have been prepared or accumulated to date by CONTRACTOR in performing this AGREEMENT which is not CONTRACTOR's privileged information, as defined by law, or CONTRACTOR's personnel information, along with all other property belonging exclusively to City which is in CONTRACTOR's possession. Publication

of the information derived from work performed or data obtained in connection with services rendered under this AGREEMENT must be approved in writing by City.

- B. Additionally, it is agreed that the Parties intend this to be an AGREEMENT for services and each considers the products and results of the services to be rendered by CONTRACTOR hereunder to be work made for hire. CONTRACTOR acknowledges and agrees that the work (and all rights therein, including, without limitation, copyright) belongs to and shall be the sole and exclusive property of City without restriction or limitation upon its use or dissemination by City.
- C. Nothing herein shall constitute or be construed to be any representation by CONTRACTOR that the work product is suitable in any way for any other project except the one detailed in this Contract. Any reuse by City for another project or project location shall be at City's sole risk.
- D. Applicable patent rights provisions regarding rights to inventions shall be included in the contracts as appropriate (48 CFR 27 Subpart 27.3 - Patent Rights under Government Contracts for federal-aid contracts).
- E. COUNTY may permit copyrighting reports or other agreement products. If copyrights are permitted; the AGREEMENT shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use; and to authorize others to use, the work for government purposes.

#### **24. CLAIMS FILED BY COUNTY'S CONSTRUCTION CONTRACTOR**

- A. If claims are filed by COUNTY's construction contractor relating to work performed by CONTRACTOR's personnel, and additional information or assistance from CONTRACTOR's personnel is required in order to evaluate or defend against such claims; CONTRACTOR agrees to make its personnel available for consultation with COUNTY'S construction contract administration and legal staff and for testimony, if necessary, at depositions and at trial or arbitration proceedings.
- B. CONTRACTOR's personnel that COUNTY considers essential to assist in defending against construction contractor claims will be made available on reasonable notice from COUNTY. Consultation or testimony will be reimbursed at the same rates, including travel costs that are being paid for CONTRACTOR's personnel services under this AGREEMENT.
- C. Services of CONTRACTOR's personnel in connection with COUNTY's construction contractor claims will be performed pursuant to a written contract amendment, if necessary, extending the termination date of this AGREEMENT in order to resolve the construction claims.

## **25. CONFIDENTIALITY OF DATA**

- A. All financial, statistical, personal, technical, or other data and information relative to COUNTY's operations, which are designated confidential by COUNTY and made available to CONTRACTOR in order to carry out this AGREEMENT, shall be protected by CONTRACTOR from unauthorized use and disclosure.
- B. Permission to disclose information on one occasion, or public hearing held by COUNTY relating to the AGREEMENT, shall not authorize CONTRACTOR to further disclose such information, or disseminate the same on any other occasion.
- C. CONTRACTOR shall not comment publicly to the press or any other media regarding the AGREEMENT or COUNTY's actions on the same, except to COUNTY's staff, CONTRACTOR's own personnel involved in the performance of this AGREEMENT, at public hearings, or in response to questions from a Legislative committee.
- D. CONTRACTOR shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this AGREEMENT without prior review of the contents thereof by COUNTY, and receipt of COUNTY'S written permission.

## **26. NATIONAL LABOR RELATIONS BOARD CERTIFICATION**

In accordance with Public Contract Code §10296, CONTRACTOR hereby states under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against CONTRACTOR within the immediately preceding two-year period, because of CONTRACTOR's failure to comply with an order of a federal court that orders CONTRACTOR to comply with an order of the National Labor Relations Board.

## **27. EVALUATION OF CONTRACTOR**

CONTRACTOR's performance will be evaluated by COUNTY. A copy of the evaluation will be sent to CONTRACTOR for comments. The evaluation together with the comments shall be retained as part of the AGREEMENT record.

## **28. RETENTION OF FUNDS**

- A. Any subcontract entered into as a result of this Contract shall contain all of the provisions of this section.
- B. No retainage will be withheld by COUNTY from progress payments due the CONTRACTOR. Retainage by the CONTRACTOR or subcontractors is prohibited, and no retainage will be held by the CONTRACTOR from progress due subcontractors. Any violation of this provision shall subject the violating CONTRACTOR or subcontractors to the penalties, sanctions, and other remedies

specified in Business and Professions Code §7108.5. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the CONTRACTOR or subcontractor in the event of a dispute involving late payment or nonpayment by the CONTRACTOR or deficient subcontractor performance, or noncompliance by a subcontractor. This provision applies to both DBE and non-DBE CONTRACTOR and subcontractors.

## 29. NOTIFICATION

All notices hereunder and communications regarding interpretation of the terms of this AGREEMENT and changes thereto, shall be effected by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

CONTRACTOR:

MNS ENGINEERS, INC.

GREG CHELINI, Vice President

201 N. CALLE CESAR CHAVEZ, SUITE 300  
Santa Barbara, CA 93103

COUNTY:

COUNTY OF SAN BENITO, RESOURCE MANAGEMENT AGENCY

HARRY MAVROGENES, Contract Administrator

2301 TECHNOLOGY PARKWAY, HOLLISTER, CA 95023

**D-4. ADDITIONAL SPECIFIC TERMS AND CONDITIONS:** (check one)

☒ There are no additional specific terms and conditions.

☐ The following additional specific terms and conditions shall apply: (Specify)

- D-5. HARMONIZATION OF CONTRACT TERMS.** Where the specific terms and conditions set forth in this Attachment D specifically conflict with the general terms and conditions set forth in Attachment C to this CONTRACT, the more specific terms and conditions shall be deemed to control. However, the general terms and conditions in Attachment C shall remain in full force and effect, to the extent they do not specifically conflict with the specific terms and conditions set forth in this Attachment D.

**END OF ATTACHMENT D.**

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF  
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

*(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)*

Consultant's Full Legal Name: MNS Engineers, Inc.

**Important:** Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

**Indirect Cost Rate:**

Combined Rate 129.73 % OR

Home Office Rate 124.65 % and Field Office Rate (if applicable) 131.99 %

Facilities Capital Cost of Money \_\_\_\_\_ % (if applicable)

Fiscal period \* 01/01/2018 - 12/31/18

\* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

**Financial Management System:**

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

**Cost Reimbursements on Contracts:**

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

**All A&E Contract Information:**

- Total participation amount \$ 50,000,000 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is 2.
- Years of consultant's experience with 48 CFR Part 31 is 57.
- Audit history of the consultant's current and prior years (if applicable)
  - ☐ Cognizant ICR Audit
  - ☐ Local Gov't ICR Audit
  - ☐ Caltrans ICR Audit
  - ☒ CPA ICR Audit
  - ☐ Federal Gov't ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name\*\*: Greg Chelini

Title\*\*: Principal Engineer

Signature: [Signature]

Date of Certification (mm/dd/yyyy): 10/10/19

Email\*\*: farzad@ztcgrp.com

Phone Number\*\*: 818-929-8162

\*\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

**Note:** *Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.*

**Distribution:** 1) Original - Local Agency Project File  
2) Copy - Consultant  
3) Copy - Caltrans Audits and Investigations



**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF  
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

*(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)*

Consultant's Full Legal Name: Pacific Crest Engineering, Inc.

**Important:** Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

**Indirect Cost Rate:**

Combined Rate \_\_\_\_\_ % **OR**

Home Office Rate 170.89 % and Field Office Rate (if applicable) \_\_\_\_\_ %

Facilities Capital Cost of Money \_\_\_\_\_ % (if applicable)

**Fiscal period** \* 1/1/2018 - 12/31/2018

\* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

**Financial Management System:**

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

**Cost Reimbursements on Contracts:**

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

**All A&E Contract Information:**

- Total participation amount \$ 750,000.00 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is 1.
- Years of consultant's experience with 48 CFR Part 31 is         .
- Audit history of the consultant's current and prior years (if applicable)
  - ☐ Cognizant ICR Audit
  - ☐ Local Gov't ICR Audit
  - ☐ Caltrans ICR Audit
  - ☐ CPA ICR Audit
  - ☐ Federal Gov't ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name\*\*: Elizabeth Mitchell

Title\*\*: President/Principal Engineer

Signature: Elizabeth M. Mitchell

Date of Certification (mm/dd/yyyy): 10/19/19

Email\*\*: elizabeth@pacengineering.net

Phone Number\*\*: 831-722-9446

\*\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

**Note: Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.**

**Distribution:** 1) Original - Local Agency Project File  
2) Copy - Consultant  
3) Copy - Caltrans Audits and Investigations

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF  
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

*(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)*

Consultant's Full Legal Name: LSA Associates, Inc.

**Important:** Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

**Indirect Cost Rate:**

Combined Rate 196.98 % OR

Home Office Rate \_\_\_\_\_ % and Field Office Rate (if applicable) \_\_\_\_\_ %

Facilities Capital Cost of Money .34 % (if applicable)

Fiscal period \* 06/01/2017 - 05/31/2018

\* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the fiscal period as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48; Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

**Financial Management System:**

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

#### Cost Reimbursements on Contracts:

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

#### All A&E Contract Information:

- Total participation amount \$ 25,442,980.00 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is 5.
- Years of consultant's experience with 48 CFR Part 31 is 11.
- Audit history of the consultant's current and prior years (if applicable)
 

<input type="checkbox"/> Cognizant ICR Audit	<input type="checkbox"/> Local Gov't ICR Audit	<input checked="" type="checkbox"/> Caltrans ICR Audit
<input checked="" type="checkbox"/> CPA ICR Audit	<input type="checkbox"/> Federal Gov't ICR Audit	

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name\*\*: Rosalena Evans

Title\*\*: CFO

Signature: 

Date of Certification (mm/dd/yyyy): 12/11/2018

Email\*\*: Rosie.Evans@lsa.net

Phone Number\*\*: 949-553-0666

\*\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

**Note: Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.**

Distribution: 1) Original - Local Agency Project File  
2) Copy - Consultant  
3) Copy - Caltrans Audits and Investigations

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF  
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

*(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)*

Consultant's Full Legal Name: WRECO

**Important:** Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

**Indirect Cost Rate:**

Combined Rate \_\_\_\_\_ % OR

Home Office Rate 137.80 % and Field Office Rate (if applicable) 107.80 %

Facilities Capital Cost of Money \_\_\_\_\_ % (if applicable)

**Fiscal period \*** 01/01/2018 to 12/31/2018

\* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

**Financial Management System:**

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost

accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

**Cost Reimbursements on Contracts:**

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

**All A&E Contract Information:**

- Total participation amount \$ 10,000,000 on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is 1.
- Years of consultant's experience with 48 CFR Part 31 is 22.
- Audit history of the consultant's current and prior years (if applicable)
 

<input type="checkbox"/> Cognizant ICR Audit	<input type="checkbox"/> Local Gov't ICR Audit	<input type="checkbox"/> Caltrans ICR Audit
<input checked="" type="checkbox"/> CPA ICR Audit	<input type="checkbox"/> Federal Gov't ICR Audit	

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name\*\*: Han-Bin Liang, Ph.D., P.E.

Title\*\*: President

Signature: 

Date of Certification (mm/dd/yyyy): 10/18/2019

Email\*\*: hanbin\_liang@wreco.com

Phone Number\*\*: (925) 941-0017

**\*\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.**

**Note: Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.**

**Distribution:**

- 1) Original - Local Agency Project File
- 2) Copy - Consultant
- 3) Copy - Caltrans Audits and Investigations

**EXHIBIT 10-H1 COST PROPOSAL** Page 3 of 3**Certification of Direct Costs:**

I, the undersigned, certify to the best of my knowledge and belief that all direct costs identified on the cost proposal(s) in this contract are actual, reasonable, allowable, and allocable to the contract in accordance with the contract terms and the following requirements:

1. Generally Accepted Accounting Principles (GAAP)
2. Terms and conditions of the contract
3. Title 23 United States Code Section 112 - Letting of Contracts
4. 48 Code of Federal Regulations Part 31 - Contract Cost Principles and Procedures
5. 23 Code of Federal Regulations Part 172 - Procurement, Management, and Administration of Engineering and Design Related Service
6. 48 Code of Federal Regulations Part 9904 - Cost Accounting Standards Board (when applicable)

All costs must be applied consistently and fairly to all contracts. All documentation of compliance must be retained in the project files and be in compliance with applicable federal and state requirements. Costs that are noncompliant with the federal and state requirements are not eligible for reimbursement. Local governments are responsible for applying only cognizant agency approved or Caltrans accepted Indirect Cost Rate(s).

**Prime Consultant or Subconsultant Certifying:**

Name: Farzad Tasbihgoo Title \*: Principal Engineer  
Signature : \_\_\_\_\_ Date of Certification (mm/dd/yyyy): 10/10/19  
Email: farzad@ztcgrp.com Phone Number: 818-929-8162  
Address: 1041 E. Green St. Suite 204, Pasadena, CA 91106

\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President or a Chief Financial Officer, or equivalent, who has authority to represent the financial information utilized to establish the cost proposal for the contract.

List services the consultant is providing under the proposed contract:

Structural Material Source Inspection and Quality Assurance Services for Construction -  
Welded Hoops, Strands, and bearings pads sampling, testing, and releasing inspections

**EXHIBIT 10-K CONSULTANT ANNUAL CERTIFICATION OF  
INDIRECT COSTS AND FINANCIAL MANAGEMENT SYSTEM**

*(Note: If a Safe Harbor Indirect Cost Rate is approved, this form is not required.)*

**Consultant's Full Legal Name:** ZT Consulting Group, Inc.

**Important:** Consultant means the individual or consultant providing engineering and design related services as a party of a contract with a recipient or sub-recipient of Federal assistance. Therefore, the Indirect Cost Rate(s) shall not be combined with its parent company or subsidiaries.

**Indirect Cost Rate:**

ZTC is using Safe Harbor Rate - this form doesn't apply

Combined Rate \_\_\_\_\_ % **OR**

Home Office Rate \_\_\_\_\_ % and Field Office Rate (if applicable) \_\_\_\_\_ %

Facilities Capital Cost of Money \_\_\_\_\_ % (if applicable)

**Fiscal period \*** \_\_\_\_\_

\* Fiscal period is annual one year applicable accounting period that the Indirect Cost Rate was developed (not the contract period). The Indirect Cost Rate is based on the consultant's one-year applicable accounting period for which financial statements are regularly prepared by the consultant.

I have reviewed the proposal to establish an Indirect Cost Rate(s) for the **fiscal period** as specified above and have determined to the best of my knowledge and belief that:

- All costs included in the cost proposal to establish the indirect cost rate(s) are allowable in accordance with the cost principles of the Federal Acquisition Regulation (FAR) 48, Code of Federal Regulations (CFR), Chapter 1, Part 31 (48 CFR Part 31);
- The cost proposal does not include any costs which are expressly unallowable under the cost principles of 48 CFR Part 31;
- The accounting treatment and billing of prevailing wage delta costs are consistent with our prevailing wage policy as either direct labor, indirect costs, or other direct costs on all federally-funded A&E Consultant Contracts.
- All known material transactions or events that have occurred subsequent to year-end affecting the consultant's ownership, organization, and indirect cost rates have been disclosed as of the date of this certification.

I am providing the required and applicable documents as instructed on Exhibit 10-A.

**Financial Management System:**

Our labor charging, job costing, and accounting systems meet the standards for financial reporting, accounting records, and internal control adequate to demonstrate that costs claimed have been incurred, appropriately accounted for, are allocable to the contract, and comply with the federal requirements as set forth in Title 23 United States Code (U.S.C.) Section 112(b)(2); 48 CFR Part 31.201-2(d); 23 CFR, Chapter 1, Part 172.11(a)(2); and all applicable state and federal rules and regulations.

Our financial management system has the following attributes:

- Account numbers identifying allowable direct, indirect, and unallowable cost accounts;
- Ability to accumulate and segregate allowable direct, indirect, and unallowable costs into separate cost



accounts;

- Ability to accumulate and segregate allowable direct costs by project, contract and type of cost;
- Internal controls to maintain integrity of financial management system;
- Ability to account and record costs consistently and to ensure costs billed are in compliance with FAR;
- Ability to ensure and demonstrate costs billed reconcile to general ledgers and job costing system; and
- Ability to ensure costs are in compliance with contract terms and federal and state requirement

**Cost Reimbursements on Contracts:**

I also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to Federal-Aid Highway Program (FAHP) contracts may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - Title 31 U.S.C. Sections 3729-3733
- Statements or entries generally - Title 18 U.S.C. Section 1001
- Major Fraud Act - Title 18 U.S.C. Section 1031

**All A&E Contract Information:**

- Total participation amount \$\_\_\_\_\_ on all State and FAHP contracts for Architectural & Engineering services that the consultant received in the last three fiscal periods.
- The number of states in which the consultant does business is\_\_\_\_\_.
- Years of consultant's experience with 48 CFR Part 31 is\_\_\_\_\_.
- Audit history of the consultant's current and prior years (if applicable)
  - ☐ Cognizant ICR Audit ☐ Local Gov't ICR Audit ☐ Caltrans ICR Audit
  - ☐ CPA ICR Audit ☐ Federal Gov't ICR Audit

I, the undersigned, certify all of the above to the best of my knowledge and belief and that I have reviewed the Indirect Cost Rate Schedule to determine that any costs which are expressly unallowable under the Federal cost principles have been removed and comply with Title 23 U.S.C. Section 112(b)(2), 48 CFR Part 31, 23 CFR Part 172, and all applicable state and federal rules and regulations. I also certify that I understand that all documentation of compliance must be retained by the consultant. I hereby acknowledge that costs that are noncompliant with the federal and state requirements are not eligible for reimbursement and must be returned to Caltrans.

Name\*\*: \_\_\_\_\_ Title\*\*: \_\_\_\_\_  
Signature: \_\_\_\_\_ Date of Certification (mm/dd/yyyy): \_\_\_\_\_  
Email\*\*: \_\_\_\_\_ Phone Number\*\*: \_\_\_\_\_

\*\*An individual executive or financial officer of the consultant's or subconsultant's organization at a level no lower than a Vice President, a Chief Financial Officer, or equivalent, who has authority to represent the financial information used to establish the indirect cost rate.

**Note:** *Both prime and subconsultants as parties of a contract must complete their own Exhibit 10-K forms. Caltrans will not process local agency's invoices until a complete Exhibit 10-K form is accepted and approved by Caltrans Audits and Investigations.*

**Distribution:** 1) Original - Local Agency Project File  
2) Copy - Consultant  
3) Copy - Caltrans Audits and Investigations

**SAFE HARBOR RATE  
CONSULTANT CERTIFICATION OF ELIGIBILITY;  
CONTRACT COSTS AND FINANCIAL MANAGEMENT SYSTEM  
FOR FEDERAL-AID HIGHWAY PROJECTS**

Consultant Name: ZT Consulting Group Inc

Check one of the following options as it applies to your firm that is completing this certification:

☐ Prime Consultant

☒ Subconsultant

Local Agency (if applicable): \_\_\_\_\_

Contract # (if applicable): \_\_\_\_\_

Check one of the following contract methods of payment:

☐ Specific Rate of Compensation

☒ Actual Cost-Plus-Fixed Fee

☐ Lump Sum

☐ Cost Per Unit of Work

Federal Project #: BRKKS-NBIL(501)

Subconsultant's Participating Contract Dollar Amount: \$ TBD

Subconsultant's Estimated % of Work to be Performed (Specific Rate of Compensation): TBD %

Prime Consultant's Contract Dollar Amount: \$ TBD

Safe Harbor Rate (Indirect Cost Rate): 110%

**Certification of Eligibility:**

I, the undersigned, certify that the firm is eligible to use the safe harbor indirect cost rate as the firm:

1. Does not have relevant contract cost history to use as a base for developing a Federal Acquisition Regulation (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31-Contract Cost Principles and Procedures (48 CFR Part 31 often referred to as "Federal cost principles") compliant indirect cost rate (ICR).

OR

2. Does not have a previously accepted ICR by a cognizant agency, or with an audited/accepted ICR, and does not have an existing contract with a provisional rate.
3. Has not developed an indirect cost rate in compliance with the Federal cost principles.

**Certification of Contract Costs:**

I, the undersigned, certify that I have reviewed the cost proposal for the above contract and to the best of my knowledge and belief:

1. All costs included in the cost proposal are allowable in accordance with the Safe Harbor Rate requirements and Federal cost principles.
2. The cost proposal does not include any costs which are expressly unallowable with the Safe Harbor Rate requirements and the Federal cost principles.

3. All direct costs (direct labor/billing rates and other direct costs) included in this cost proposal are reasonable, allowable, and allocable to the contract in accordance with the Safe Harbor Rate requirements; generally accepted accounting principles (GAAP); Federal cost principles; Title 23 United States Code (U.S.C.) Chapter 1-Federal-Aid Highways Section 112-Letting of Contracts (23 U.S.C. 112); Title 23 CFR Chapter 1-Federal Highway Administration, Department of Transportation Part 172- Procurement, Management, and Administration of Engineering and Design Related Service (23 CFR Part 172); and terms and conditions of the contract.

All costs must be applied consistently and fairly to all contracts regardless of contract or client type. Documentation for these costs must be in compliance with applicable federal and state requirements. All documentation of compliance must be retained in the project files for 3 years after contracting agency makes final payment and all pending matters are closed.

**Certification of Financial Management System:**

I, the undersigned, certify that our financial management system **in place for this contract and moving forward** meets the standards for the Safe Harbor Rate requirements and financial reporting, accounting records, internal and budget control as set forth in 23 CFR Part 172 and 48 CFR Part 31. These standards require consulting firms have an accounting system adequate to accumulate, and track allowable, allocable, and reasonable direct labor and other direct costs by contract; segregate indirect costs, and remove unallowable costs.

**Certification of Cost Reimbursements on Contracts:**

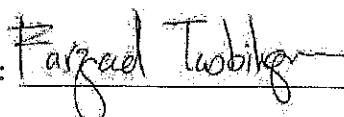
I, the undersigned, also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to a Federal-aid highway program (FAHP) may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - 31 U.S.C. Sections 3729-3733
- Statements or entries generally - 18 U.S.C. Section 1001
- Major Fraud Act - 18 U.S.C. Section 1031

**Consultant Certifying:**

Name\*: Farzad Tasbihgoo

Title\*: President

Signature \*: 

Date of Certification (mm/dd/yyyy): 10/10/19

Email\*: farzad@ztcgrp.com

Phone Number \*: 818-929-8162

\*An executive or financial officer of the contractor's organization who has authority to represent the financial information utilized to establish the proposal submitted in conjunction with the contract.

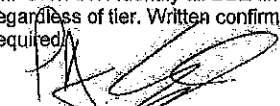
**ALSO REQUIRED**

Attach a copy of your completed:

Distribution: 1) Original to Caltrans A&I  
2) Caltrans Division of Procurement and Contracts (DPAC) Contract Files or Local Agency Project Files

## EXHIBIT 10-02 CONSULTANT CONTRACT DBE COMMITMENT

1. Local Agency: County of San Benito RMA 2. Contract DBE Goal: 4%  
 3. Project Description: Hospital Road Low Water Crossing Replacement Project (New Bridge)  
 4. Project Location: On Hospital Road Over San Benito River West of Southside Road And East of Cienega Road  
 5. Consultant's Name: MNS Engineers Inc 6. Prime Certified DBE: ☐ 7. Total Contract Award Amount: 1,513,465.72  
 8. Total Dollar Amount for ALL Subconsultants: 320,571.08 9. Total Number of ALL Subconsultants: 4

10. Description of Work, Service, or Materials Supplied	11. DBE Certification Number	12. DBE Contact Information	13. DBE Dollar Amount
SWPPP Support	30066	WRECO amy_ly@wreco.com	15,000
Materials Testing	41551	Pacific Crest Engineering, Inc., elizabeth@pacengineering.net	150,000
<b>Local Agency to Complete this Section</b> 20. Local Agency Contract Number: <u>(831) 636-4170 Ext. 270</u> 21. Federal-Aid Project Number: <u>BRLKS-NBIL(501)</u> 22. Contract Execution Date: _____ Local Agency certifies that all DBE certifications are valid and information on this form is complete and accurate.  23. Local Agency Representative's Signature: _____ 24. Date: _____ 25. Local Agency Representative's Name: _____ 26. Phone: _____ 27. Local Agency Representative's Title: _____			14. TOTAL CLAIMED DBE PARTICIPATION \$ 165,000 10.9%
IMPORTANT: Identify all DBE firms being claimed for credit, regardless of tier. Written confirmation of each listed DBE is required.  15. Preparer's Signature: _____ 16. Date: <u>2019-12-11</u> Paul Goryl 17. Preparer's Name: _____ 18. Phone: <u>408.483.4719</u> Principal Engr. Mgr. 19. Preparer's Title: _____			

DISTRIBUTION: 1. Original – Local Agency  
 2. Copy – Caltrans District Local Assistance Engineer (DLAE). Failure to submit to DLAE within 30 days of contract execution may result in de-obligation of federal funds on contract.

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information call (916) 654-6410 or TDD (916) 654-3880 or write Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

**INSTRUCTIONS – CONSULTANT CONTRACT DBE COMMITMENT****CONSULTANT SECTION**

1. **Local Agency** - Enter the name of the local or regional agency that is funding the contract.
2. **Contract DBE Goal** - Enter the contract DBE goal percentage as it appears on the project advertisement.
3. **Project Description** - Enter the project description as it appears on the project advertisement (Bridge Rehab, Seismic Rehab, Overlay, Widening, etc).
4. **Project Location** - Enter the project location as it appears on the project advertisement.
5. **Consultant's Name** - Enter the consultant's firm name.
6. **Prime Certified DBE** - Check box if prime contractor is a certified DBE.
7. **Total Contract Award Amount** - Enter the total contract award dollar amount for the prime consultant.
8. **Total Dollar Amount for ALL Subconsultants** - Enter the total dollar amount for all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
9. **Total number of ALL subconsultants** - Enter the total number of all subcontracted consultants. SUM = (DBEs + all Non-DBEs). Do not include the prime consultant information in this count.
10. **Description of Work, Services, or Materials Supplied** - Enter description of work, services, or materials to be provided. Indicate all work to be performed by DBEs including work performed by the prime consultant's own forces, if the prime is a DBE. If 100% of the item is not to be performed or furnished by the DBE, describe the exact portion to be performed or furnished by the DBE. See LAPM Chapter 9 to determine how to count the participation of DBE firms.
11. **DBE Certification Number** - Enter the DBE's Certification Identification Number. All DBEs must be certified on the date bids are opened.
12. **DBE Contact Information** - Enter the name, address, and phone number of all DBE subcontracted consultants. Also, enter the prime consultant's name and phone number, if the prime is a DBE.
13. **DBE Dollar Amount** - Enter the subcontracted dollar amount of the work to be performed or service to be provided. Include the prime consultant if the prime is a DBE. See LAPM Chapter 9 for how to count full/partial participation.
14. **Total Claimed DBE Participation** - \$: Enter the total dollar amounts entered in the "DBE Dollar Amount" column. %: Enter the total DBE participation claimed ("Total Participation Dollars Claimed" divided by item "Total Contract Award Amount"). If the total % claimed is less than item "Contract DBE Goal," an adequately documented Good Faith Effort (GFE) is required (see Exhibit 15-H DBE Information - Good Faith Efforts of the LAPM).
15. **Preparer's Signature** - The person completing the DBE commitment form on behalf of the consultant's firm must sign their name.
16. **Date** - Enter the date the DBE commitment form is signed by the consultant's preparer.
17. **Preparer's Name** - Enter the name of the person preparing and signing the consultant's DBE commitment form.
18. **Phone** - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
19. **Preparer's Title** - Enter the position/title of the person signing the consultant's DBE commitment form.

**LOCAL AGENCY SECTION**

20. **Local Agency Contract Number** - Enter the Local Agency contract number or identifier.
21. **Federal-Aid Project Number** - Enter the Federal-Aid Project Number.
22. **Contract Execution Date** - Enter the date the contract was executed.
23. **Local Agency Representative's Signature** - The person completing this section of the form for the Local Agency must sign their name to certify that the information in this and the Consultant Section of this form is complete and accurate.
24. **Date** - Enter the date the DBE commitment form is signed by the Local Agency Representative.
25. **Local Agency Representative's Name** - Enter the name of the Local Agency Representative certifying the consultant's DBE commitment form.
26. **Phone** - Enter the area code and phone number of the person signing the consultant's DBE commitment form.
27. **Local Agency Representative Title** - Enter the position/title of the Local Agency Representative certifying the consultant's DBE commitment form.